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HEADQUARTERS SEES CHANCES OF MUJAHEDIN IMPROVING

Zurich DIE WELTWOCHEN in German No 12, 23 Mar 83 p 15

[Interview of Dr Faruq, chief of Islamic Alliance, by Martin Peter]

[Text] The headquarters of the Afghan resistance fighters at the Eastern point of access to the Pakistani border city of Peshawar have little in common with the nearby luxury hotel "Khyber Intercontinental." The five-star hostelry is frequented by representatives of the United Nations and private aid organizations, who are occupied only with the consequences of the Afghan war: more than two million refugees. Their demeanor betrays urbanity. On the other hand, the many hundreds who are camping at the two rebel centers have probably never seen the inside of a plane. Their solid kamize clothes, the turban, wool cape, and determined gait rather point to a longish foot march. In fact the mujahedin, the "holy warriors" from Afghanistan, are only in Peshawar for a short visit. Their area of activity is the mountains of the Western Hindukush, the valleys of Logar, Kunar and Pandjir, and the rocky crevices near Kandahar in the south and Mazar-e-Sharif in the north. They only come to Pakistan once or twice a year to report success or defeat to their politburos, to elaborate new strategies and to organize weapons supplies.

If the headquarters of the two mujahedin parties, the Hezb-i-Islami and the Islamic Alliance, were not bolted with heavy iron doors and the entrances occupied by armed guards, one would hardly guess that they are the logistical center of forces engaged in war. The arms-bearing men who go in and out definitely do not have a grim look. All in all, the goings-on in the outlying areas of Peshawar hardly differ from the kind of life that can be seen only 30 km to the west of the city, along the road to the famed Khyber border pass. Here, at the home of the Pathans and winter quarters of the Afghan nomadic tribes, the restlessness of the mountain peoples driven by the forces of nature is part of normal everyday life. During the cold season they move from the Alpine pastures of the Hindukush to the milder climate of the flatlands east of the Pakistani border. The carbine has always been part of the defense of this traditional migration route. Long before the present Afghan conflict, it meant protection against the martial movements of the Aryans toward the Indian sub-continent; later, protection against the invasions of British colonists; and always protection against raids from Czarist Russia. Seen in this light, the gun on the backs of the Pashto tribesmen has very little to do with the Soviet presence in their valleys and villages.

However, the rhetoric of the political leaders of the Afghan resistance is more martial than the looks of their men. After many identity controls and some searching looks, we are sitting in the headquarters of the Islamic Alliance, a union of three fundamentalist parties, opposite Dr Faruq, the former Kabul university professor. "Our defense readiness against the occupiers of our Afghan homeland is greater than ever," is his terse answer to the question about the possibilities of a diplomatic solution to the conflict. "Have you followed the fighting during these winter months? And only weeks after Pakistani President Zia, in Moscow talks with the new Kremlin leader, Andropov, supposedly noticed a fresh breeze? There has never been a more systematic destruction of harvests in Afghanistan than the one last fall. The Russians shot up not only our battle centers, but also villages, fields and traffic routes. The number of victims among the civilian population was larger than ever. For the first time, there has been no real pause in the war during this fourth winter since the Soviet armed invasion on Christmas 1979. This speaks for the better defense of the mujahedin, even while our hideouts are blocked by snow. But the Russians, also, have changed their tactics and bring lighter tanks into the mountain by air. And in addition," now Dr Faruq comes back to the diplomatic explorations in the Afghanistan conflict, "at the Hindukush, an Islamic people fights against communist occupiers. If the United Nations are talking with Teheran, Islamabad, and Kabul's Kremlin puppets, where does that leave the parties concerned? Does the Cordovez mission not clearly violate the UN resolution of 18 November 1981?"

Dr Faruq is the war party; the mujahedin who are in a "holy war" for Islam, in djihad, come to him to "tank up" on materiel and morale. His words must not show weakness. But even neutral observers of the Afghanistan war, and a personal glimpse beyond the border, confirm the kernel of truth in his criticism of the international efforts at talks. As ever, the customs barrier at Jamrud is no obstacle for Pathan tribesmen who move freely in the region. The grazing grounds in Afghanistan are theirs, just as the fields on Pakistani land. It can be clearly heard in Jamrud that the Russian and Afghan airforce and ground troops come very close to the border. The IKRK [International Committee of the Red Cross] field hospitals along the border are in full readiness, French "barefoot doctors" are even deep inside Afghan territory. But the Afghan rebels, whose wounded they tend, in very recent times had to acknowledge more losses than usual.

The "Afghan Information Center" which is in constant contact with frontier crossers, attributes the regional defeats in Khost north of Kabul, and in Logar more to the southeast, to increasing infiltration by Babrak's secret service men in the resistance parties. Most vulnerable is Gulbuddin Hekmatyar's Hezb-i-Islami who, as radical fundamentalists, try to call the tune in the mujahedin camp and often work at cross purposes. The ideological tensions between the exile parties in neighboring Pakistan have long been an open secret; the internal disputes in the combat zone itself are relatively new. Wherever there is no strong local commander such as the Pandjir valley has, where the Soviets had to sound the retreat six times, the jockeying for power within the resistance has become a welcome point of attack for Kabul.

The weak points in the Afghan rebel camp are neutralized through a growing drop in morale among the Kabul government troops and among the Soviets. A French photographer, after 4 months in northern Afghanistan, reported that harmony among the Afghan and Soviet soldiers suffers under the stress of action, and Moscow's people frequently do not trust their Moslem allies. In addition to racial tensions, there is also extensive use of alcohol and drugs.

9917

CSO: 4620/21

STATEMENT OF 15-PARTY ALLIANCE URGES NORMALCY

Dhaka HOLIDAY in English 11 Jun 83 pp 1, 8

[Text]

The 15-party alliance has said that the Chief Martial Law Administrator had himself "practically negated the need for dialogue" when he had publicly spoken in favor of the presidential system at the conference of the Bangladesh Federation of Teachers Associations on June 6.

In a statement issued on June 9, the alliance reiterated that it would have participated in the dialogue if "a congenial political atmosphere" were created and all the component parties of the alliance were invited together to the dialogue.

The alliance said that the government had not yet taken steps to "restore normalcy" by instituting inquiry into the mid-February incidents, releasing political detainees, restoring freedom of the Press etc. It held the government responsible for not making the

proposal for dialogue a success.

The alliance said law,lessness has gripped the country. In the recent past there had been numerous incidents where the members of the law-enforcing agencies themselves abused power. Many innocent people have been the victims of these incidents.

The alliance also observed the statement made by the CMLA about the 'respected teachers' community' as derogatory and called upon him to withdraw it immediately.

The statement has called upon the people to observe 'demand day' on June 18 all over the country.

Their demands include; withdrawal of martial law, re-establishment of democracy, creation of a sovereign parliament through general election, and release of all political prisoners.

PAPER ASSAILS U.S. 'ARROGANCE' AT BELGRADE

Bombay THE TIMES OF INDIA in English 17 Jun 83 p 8

[Editorial]

It is just not possible to describe the stand the US has adopted at UNCTAD-VI as anything other than an expression of cold, calculated, cynical arrogance. Its representative at Belgrade, deputy secretary of state Mr. Kenneth W. Dam, has not merely attacked the proposed common fund for stabilisation of commodity prices. He has assailed its very principle on grounds that are either transparently specious or purely ideological or both. In his speech on Monday, Mr. Dam argued that international agreements had not been successful in the past in ameliorating wide swings in commodity prices and hence that the common fund and UNCTAD's integrated programme for commodities should be given up as (presumably) "unattainable". This argument is fallacious for two reasons. First, the conclusion is a *non-sequitur*. For the common fund and integrated programme are designed precisely to eliminate wild price fluctuations and protect commodity exporters. Secondly, the premise is itself far from innocent. Past agreement did not achieve the desired result either because the result was not really intended and the terms were left deliberately vague, or because the rich countries of the North systematically manipulated the accords in their own interest and against those of the South. In international trade, as in the monetary system, the dice are loaded against the poor. It is this bias that UNCTAD wants to correct and the US to perpetuate. Mr. Dam has also advocated "open markets" as the "main hope" of the developing countries who have for long been victims of that very "openness".

The belligerence of the U. S. statement on Monday, like the premature but planned circulation last week of the text of an interview with the deputy leader of its delegation, appears to be a direct outcome of the Williamsburg Summit. It is the hard, anti-South and aggressively Reaganite thrust of the summit resolutions that reverberates in the US

statements at Belgrade. What is crucial here is the view, institutionalised at Williamsburg, that there is no need for a reform of the international monetary system and trade arrangements. This view is no more than a reflection of the argument put forward by Mr. Reagan's economic advisers that an economic recovery is actually underway in the North, the US in particular. And hence that there is no need to revive world trade or increase international liquidity through inflationary measures or North-South cooperation. This view is open to question. For such recovery as there is is too feeble and geographically limited to constitute a general trend. It is possible to argue that in the absence of a far-reaching monetary system reform, it may not last beyond a few months. If this is true, the US declaration of war on UNCTAD may prove even more damaging not merely for the South but also for the North.

CSO: 4600/1343

REAL ESTATE NEW IRRITANT IN INDO-U.S. RELATIONS

Madras THE HINDU in English 27 Jun 83 p 1

[Article by G.K. Reddy]

[Text] New Delhi, June 26--A new irritant in Indo-American relations that is threatening to become a festering sore is the controversy raging behind the scenes over the interpretation and application of reciprocity in the acquisition of property by the two governments in each other country for housing the offices and personnel of their diplomatic missions.

The U.S. has already in India about 55 acres of prime property acquired over the last three decades at ridiculously cheap prices, but it is in need of more area for accommodating and relocating its establishments.

The Government of India has, on the other hand, been renting premises over the years for housing its diplomatic personnel, while confining the purchases of property to the bare minimum. The chancery building and ambassador's residence in Washington, the Consulate-General in New York, the plot of land acquired for building in due course the headquarters for its permanent mission at the United Nations and some other residential properties in and around the District of Columbia cover only 8.5 acres.

After paying exorbitant rents for years all over the world the Government of India started purchasing houses and apartments for its personnel in various countries including the U.S. at enormous cost at a time when property values have reached dizzy heights in the wake of worldwide inflation. But it has lately run into some difficulties over the application of the principle of reciprocity in the wake of some new law enacted by the U.S. to control acquisition of properties by communist countries, especially the Soviet Union.

The result is that in the freest of the free countries which prides on its philosophy of private enterprise, the Government of India cannot buy even an apartment without the permission of the State Department. An elaborate questionnaire has to be filled in to satisfy the U.S. Government about the genuine need for the acquisition of any additional property, besides assuring that similar facilities were being provided by the country concerned to the U.S. diplomatic mission there.

The Indian application for permission to buy seven or eight houses and apartments in Washington got stuck in the bureaucratic maze of the State Department. In India, too, some sort of clearance is necessary before a foreign diplomatic mission can purchase property, but the Government has been allowing the embassies in Delhi and their consulates in the principal State capitals to buy houses without any restriction.

The Indian contention is that the U.S. cannot insist on a narrow application of the principle of reciprocity after acquiring nearly 55 acres of prime property at throw away prices over the last three decades to extract further concessions. The American Embassy, Club, State quarters, service area and school premises in Delhi's diplomatic enclave covering several blocks amount almost to a township which no foreign mission in any other world capital possesses on such a large scale.

There have been discussions at a fairly high level both in Delhi and Washington, on the eve of the Shultz visit, to sort out this real estate problem. If it has not been receiving due publicity in the Press, it is because of the preoccupation with the running controversy over the supply of spare parts for the Tarapur plant.

At one stage the U.S. Embassy purchased, rebuilt or renovated a large number of houses in Delhi with P.L.480 rupees made available for its local expenses. But the Government of India stepped in to stop this practice, maintaining that such expenditure should be met from its dollar funds.

One possible reason for the U.S. insistence on reciprocity in permitting India to buy a few apartments in Washington is to get rid of the properties it acquired earlier in some of the outer areas of New Delhi and obtain land in the more sought after diplomatic enclave on concessional terms. And the Indian reluctance to agree to such a switchover has probably led to the current rigidity in the American attitude.

CSO: 4600/1368

COMMUNIST PAPER COMMENTS ON U.S. FORCE IN ASIA

New Delhi PATRIOT in English 30 Jun 83 p 2

[Text]

A US Defence Department document, reports say, has proposed the location of an American military command in India's neighbourhood in South-West Asia. The amphibious Rapid Deployment Force has been upgraded into a full-fledged military command and redesignated as the US Central Command or CENTCOM. The RDF was meant to meet, according to the US Government, a given situation in South-West Asia, which includes a large part of the Indian Ocean littoral, especially the oil-bearing Gulf countries, Pakistan and Afghanistan. The RDF has now been subsumed in a full-fledged military command. It is said that this is the first American military command the Pentagon has created in 35 years. Whereas the RDF, as its name suggests, was supposed to meet a sudden contingency, the creation of a command for the area which never had a similar force before marks a serious deterioration in the peace and stability of the region. The RDF at least implied that it would be withdrawn from the area when the presumed contingency it was designed to counter disappeared. By setting up a permanent military command for South-West Asia, which hitherto had no such permanent American military force assigned to this area, the Reagan Administration has made clear that the US military presence in the Indian Ocean littoral is to be further augmented, not reduced or terminated, regardless of the regional situation.

The RDF had its headquarters in Florida. In line with American military thinking that the US military presence in South-West Asia should be put on a more permanent footing, the Pentagon now proposes to find a new home for the US Central Command in India's neighbourhood. This is a serious development which must be resisted by all independent and nonaligned na-

tions of this region. For, no matter what justification the US Government may furnish, this is an intrusion by a great power in an area which has recently rid itself of colonial rule. The decision will aggravate the tensions in the region and embroil the nations of the area in the contentions of external great powers. Even during the cold war years the American military forces in this area were either parts of the SEATO and CENTO command structures or were regulated by the bilateral agreements the United States had reached with its client states in Asia. The US never had a separate command for this region.

Defying the littoral countries collective desire that the area should be kept free of all external powers' military activities and rivalries, America is now proceeding to expand its military presence in the region. This is a considerable intrusion of the US military in an area where their presence hitherto was limited to offshore islands. Those who see the American military design exclusively as a response to the crisis in Afghanistan will notice that the Diego Garcia base was acquired in the sixties when the situation in Afghanistan was normal. Furthermore, American experts nowadays speak less of Afghanistan than of the need to gain physical control of the natural resources, including oil, of South-West Asia. The US Central Command thus implies a return to old-fashioned colonialism which required that the colonies' natural resources be physically controlled by the metropolitan countries in the interest of the industrialised nations' economies. It remains to be seen which of the Asian nations will extend the hospitality of its soil to this new outpost of Western colonialism in Asia.

CSO: 4600/1377

REPORTAGE ON GANDHI VISIT TO YUGOSLAVIA, WEST EUROPE

Activities in Belgrade, 9 Jun

Madras THE HINDU in English 10 Jun 83 p 9

[Article by K.K. Katyal]

[Text]

BELGRADE, June 9.

The Prime Minister Mrs. Indira Gandhi, was able to establish a good rapport with the new Yugoslav leaders — Mr. Mika Spiljak who took over as President last month in keeping with an arrangement under which a new head is chosen every year on rotational basis — and the Prime Minister, Mrs. Milka Planinc, both veterans of the liberation struggle days.

As with Mrs. Margaret Thatcher in the U.K. and formerly with Mrs. Sirimavo Bandaranaike of Sri Lanka, Mrs. Gandhi seemed to get on exceedingly well with the first woman Prime Minister of Yugoslavia — particularly so, because of the political like-mindedness. This augured well for the discussions on specific issues, bilateral, international and others.

The Yugoslav leaders said they would continue to be as active as in the past in the non-aligned movement and Mrs. Planinc extended the good wishes of her country in the performance of the onerous responsibility India had assumed as head of the non-aligned movement.

The two sides resolved to give the badly-needed boost to their economic relations which, according to Mrs. Planinc, had touched an impermissibly low level and, according to Mrs. Gandhi, had not kept pace with the political affinity. Apart from other steps, it was agreed to devise a mechanism of joint tendering as a prelude to joint ventures in third countries. The idea was mooted by Dr. P. C. Alexander, Principal Secretary to the Prime Minister. The External Affairs Secretary Mr. M. K. Rasgotra and the Information Adviser, Mr. Sharada Prasad, took part in the discussions and it appealed to the Yugoslavs. At present, there is only one joint venture in Yugoslavia, though 20 in India.

The talks could be divided into two categories. Mrs. Gandhi's discussions with the Yugoslav President centred mainly on the international situation, particularly the increasing East-West estrangement and the consequent tensions.

Candid exercise: The two Prime Ministers gave each other their assessment of the internal situation in their respective countries and, in doing so, made no attempt to slur over inconvenient factors. It was a comprehensive and candid exercise and although the two found some parallels in their difficulties, they were confident of getting over the challenges.

Mrs. Planinc said the dire forecasts of disintegration of Yugoslavia, after Tito, had proved wrong and the country had not departed from the legacy of the great leader, as was shown by the events of the last three years. Despite internal tensions, the domestic situation in Yugoslavia was described as good.

Mrs. Gandhi, in turn, spoke of the problems of the type posed by Assam and Punjab and said the situation was basically stable, despite exaggerated reports abroad to the contrary. Mrs. Planinc said Yugoslavia spent 40 per cent of its foreign exchange earnings on debt servicing, but there was no escape from credits because of the upheaval caused by the oil crisis. The Western policies were blamed for some of Yugoslavia's troubles.

India, according to Mrs. Gandhi, spent 11.4 per cent of its foreign exchange earnings on debt servicing.

Mrs. Planinc spoke of the importance of her Government attached to the maintenance of economic relations with all, with the U.S. and the EEC in the same way as with the Eastern bloc.

Theirs was a balanced approach and economic relations with one side were not fostered at the expense of ties with the other.

Address to Federal Assembly: A highlight of Mrs. Gandhi's engagements today was her address to the Yugoslav Federal Assembly. It was not in session, but the members of the two Houses — the 220-strong Federal Chamber and the Chamber of Republics and Provinces, comprising 88 delegates — assembled for the first time for such an occasion. The semi-circular chamber, part of a solid, mammoth structure, has a fascinating history. It was the venue of the first non-aligned conference in 1961, and earlier during the Occupation, was the headquarter of the Nazi Commander. Tito's body lay in state in its central hall.

The theme, she chose — of the joint opposition of the two countries to foreign domination and control — evoked enthusiastic response as shown by loud applause. "Your country and mine," she said, "do not wish to be resigned to the roles assigned by others. We do not subordinate our decisions to the indications or interests of others. Throughout history, those with economic wealth and military prowess assumed superiority or the right to dominate. Formerly, the aggrandisement took the form of direct subjugation, now it expresses itself through bloc-politics, the arms race, strategies of deterrence and interference in the affairs of the not so strong." Here are other key paras of her address:

"Embattled alliances and the balancing of power were not working even in the pre-nuclear age. That approach has been rendered untenable by advances in technology but Governments refuse to take a broader view and still base their nuclear programme on outdated political assumptions, such as first-strike capacity, and limited and winnable nuclear wars. Nuclear weapon States have accumulated stockpiles of armaments for which there are targets enough. Their overkill capacity makes notions of parity, deterrence and superiority irrelevant."

The wayout: "A viable way out of this dilemma is the programme suggested by the special session on disarmament and reiterated at the recent non-aligned summit. We urge all nuclear-weapon States to summon the political will not to use nuclear weapons in any circumstances."

"India welcomed detente in Europe and still does, but it has to be extended to other areas also."

"Some Governments seem to think destabilisation is a game. Many developing countries are subjects to some kind of interference. Even the lessening of the East-West tensions did not correspondingly diminish such pressures."

On this "festive occasion," the Federal Assembly President, Mr. Vojo Srzentic, stressed the importance of all non-aligned nations to step up their efforts to implement the decisions of the Delhi summit.

Meeting with PRC Vice Premier

Calcutta THE STATESMAN in English 11 Jun 83 p 1

[Article by V.S. Maniam]

[Text]

BELGRADE, June 10—Mr Yao Yi Lin, Chinese Vice-Premier, assured Mrs Gandhi here last evening that there had been a "positive progress" in Sino-Indian relations during the past few years. "We are pleased about it, and we take a positive attitude towards this whole matter", he told her.

"I certainly hope so", was Mrs Gandhi's response. She said that she attached great importance to the question of improvement of Sino-Indian relations.

Mr Lin was among a number of statesmen who are here for the sixth session of UNCTAD and who took the opportunity of Mrs Gandhi's visit to call on her during the past two days.

The meeting between the Indian Prime Minister and the Chinese Vice-Premier was described by an official spokesman as very cordial.

Mr Lin's first comment on meeting Mrs Gandhi was to recall that he had first seen her in the early fifties and that 30 years later she seemed to be still as young as she was then.

The two leaders exchanged notes on the progress of UNCTAD. Mr Lin said that there were constraints under which the conference functioned, but assured her that the participants were trying to make it a success. Mrs Gandhi told him that a "dialogue" between the developed and developing countries was necessary.

Mrs Gandhi and Mr Lin also discussed the non-aligned summit's proposal that heads of States should attend in strength the coming session of the U.N. General Assembly. This would provide an opportunity for exchange of views among world leaders. "I do not expect miracles. My main objective is to get things moving", she said.

Mr Lin told her that the Chinese Premier had received her letter suggesting that he attend the next U.N. General Assembly session and that it was being considered.

On the NAM proposal for a conference on money and finance, Mrs Gandhi said that some had suggested a Bretton Woods type conference and that her own view was that such a meeting would hardly be material. What was important was that something must be done to restructure the international monetary system.

Among the others who called on her yesterday was the Dutch Premier, Mr Lubbers, and the Egyptian President, Mr Hosni Mubarak. An official spokesman said that the Prime Minister's talks with the latter were a continuation of her earlier one with him in New Delhi on the problems of the non-aligned movement. The meeting was described as very important.

Mrs Gandhi is using these talks primarily as a follow-up on the New Delhi summit decisions. She is, at the same time, paying equal attention to bilateral matters.

As she told a questioner at last evening's Press conference, she has a threefold image as Mrs Indira Gandhi, as the Prime Minister of India, and as Chairperson of the non-aligned movement. And she is using that threefold image simultaneously, and also, it seems, most effectively.

Activities in Helsinki, 10 Jun

New Delhi PATRIOT in English 11 Jun 83 pp 1, 7

[Text] Helsinki, June 10 (PTI, UNI)--Prime Minister Indira Gandhi and Finnish Prime Minister Kalevi Sorsa today held wide-ranging discussions on the international situation and agreed that the United Nations should be strengthened as an effective force for peace.

During an hour-long meeting, Mrs Gandhi said that with this idea only the proposal for heads of State or Government to meet at the United Nations was made. Such a meeting she said could help tackle the various burning issues.

Apart from burning issues like the West Asian situation, Afghanistan, Kampuchea and the Iran-Iraq war, the two Prime Ministers discussed India's relations with her neighbours--China Pakistan, Bangladesh and others.

The Prime Minister said India would give serious consideration in any formal proposal made by Nordic countries on nuclear free zone was placed in the United Nations.

Agreements

The two countries today signed two agreements, one on avoidance of double taxation on income and property and the other for cultural exchanges.

The agreements were signed in the presence Mrs Gandhi and Mr Sorsa, by Foreign Secretary M. Rasgotra and Finnish Secretary of State for Foreign Affairs Matti Tuovinen.

The taxation agreement will replace the one signed in 1961 which has become outdated as a result of developments on the international scene and in the field of taxation legislation. It is based on the model drafted by the organisation for economic cooperation and development. The agreement, which is subject to ratification follows negotiations held both in Delhi and Helsinki.

The cultural agreement is designed to promote cultural, educational and scientific cooperation in areas of mutual interest. It is of a general nature providing broad outlines for objectives and areas of cultural exchange. Detailed implementation of the exchange will be agreed upon in separate programmes.

India is also studying a new offer by Finland to buy an ice-breaker required for Antarctica expeditions. This was stated at the official talks between the two Prime Ministers.

Call for Detente

Speaking at a dinner hosted in her honour by her Mr Sorsa, Mrs Gandhi said India shared Finland's view that war was the greatest menace to the world and the issues could be truly solved only through discussion.

Mrs Gandhi said India valued non-violence, tolerance, the spirit of service and sacrifice. "This predisposes us towards peace and peaceful solutions."

Dwelling at some length on the economic relations between the two countries, Mrs Gandhi said these relations had developed all-round and the volume of trade was increasing. She particularly mentioned the growing interest in Finnish business community's willingness to transfer high technology on mutually beneficial interest. India had recently liberalised its policy to facilitate such transfer.

Noting that the world was now experiencing a difficult time, Mr Sorsa said between the great powers, distrust prevails accelerating the arms race. Arms buildup especially in the European scene, he said, had reached proportions which no longer bear any relation to the security requirements of States.

Mrs Gandhi who flew in here this afternoon on the second leg of her five-nation West European tour was accorded a rousing reception and in a brief airport speech said, "Today we feel an urgent need for the revival of the Helsinki spirit of detente. What brings us particularly close is our deep concern for peace."

Warm Send Off

Earlier, she was given an affectionate send off at Belgrade by Mrs Milka Planinc and other dignitaries.

The Prime Minister called on the wife of late President Tito. She was accompanied by her daughter-in-law Sonia Gandhi and her two grandchildren Rabul and Priyanka.

Meeting with Finnish President

Calcutta THE SUNDAY STATESMAN in English 12 Jun 83 pp 1, 7

[Text] Helsinki, June 11--Mrs Gandhi and the Finnish President, Mr Mauno Koivosto, today expressed concern over the failure of the big powers to reach any agreement on arms limitation, report PTI and UNI. During an hour-long meeting the two leaders reviewed the international situation with particular reference to the dangerous consequences of a nuclear arms build-up.

The Finnish President described this year as a crucial period if no agreement was reached by nuclear powers in Madrid and Geneva. This might result in the two superpowers going ahead with the deployment of nuclear weapons, a situation fraught with dangerous consequences, he said.

Addressing a Press conference here before leaving for Copenhagen after her two-day official visit to Finland, Mrs Gandhi today allayed Western fears of any serious political unrest in India and said "we have certainly less violence compared to many of the industrialized countries."

Mrs Gandhi made this observation when Finnish reporters persistently questioned her on the agitations in Assam and Punjab. Referring to the propaganda abroad that only the minority community in Assam was affected by the disturbances, she said: "This is not a fact." People of other groups and religions too suffered in the agitation.

The Punjab agitation, the Prime Minister said, was started by a political party "because it lost the elections. And this is the same party which, though in party for three years, did not implement any one of the demands it is now putting forward. Democracy will have no meaning if the voters' decisions are not respected."

She said, "Some people from outside the country" were making "certain other demands" to aggravate the situation. But the Akali Dal had dissociated itself from these demands.

The Prime Minister did not believe that the family planning drive had failed in India. It had, however, not been as successful as one would have liked.

Answering a number of questions on the international situation, the Prime Minister said that the situation today in West Asia was "indeed very serious. Some talks between people concerned are going on. I do not see much light at this movement."

Mrs Gandhi was asked about the nuclear-free zone proposal mooted by Nordic countries. She said the whole world was one. India would not like nuclear confrontation anywhere in the world. It was for total disarmament, including nuclear weapons.

Asked by a correspondent about the proposed no-war pact between India and Pakistan, Mrs Gandhi reiterated that the Simla agreement itself provided that both countries should settle disputes through negotiations and discussion without resorting to war.

"We are trying hard to create an atmosphere of goodwill. Recently we have entered into small agreements which would take us forward," she said.

In reply to another question, Mrs Gandhi said a political solution to the Afghan question would depend on the parties concerned. As soon as there was no outside interference and no provision of sophisticated weapons to rebels, the Afghan Government had assured that the Soviet troops would be asked to withdraw.

As far as India's policy was concerned, "we do not approve of interference or intervention in the affairs of any country by anybody."

She summed up her talks with the Finnish leaders as fruitful. There was no set agenda but "we had a roving discussion on global matters which are of concern to us and certain matters arising out of the New Delhi non-aligned summit."

Mrs Gandhi arrived in Copenhagen this evening on a three-day official visit to Denmark on the third lap of her five nation tour of western Europe.

She was received by the Danish Prime Minister, Mr Poul Schuytler, and his ministerial colleagues.

V.S. Maniam adds: Mr Koivisto told Mrs Gandhi today that in his view East-West problems seemed to be used to divert attention, and much needed resources, away from the South. The North-South problems were to him as important as the East-West ones.

Mr Koivisto, who has just returned from a visit to the Soviet Union, also told her that it was his impression that while disarmament was important to the whole world, it was particularly important to the Soviet Union.

Mr Koivisto's views are, according to an official spokesman, valuable because he has a deep insight into the Soviet mind.

Mrs Gandhi's talks with the Finnish President lasted an hour and were a continuation of her effort to know the minds of the leaders of the countries she is visiting as well as to apprise them of the views of the non-aligned world and of India in particular.

Today's talks were of special significance since as the Finnish President pointed out at the outset, Finland has historically been the dividing line between the different spheres of influence.

Mr Koivisto told Mrs Gandhi that his country had friendly relations with both East and West and "family relations" with other Nordic countries.

There was, he said, a basic mutual distrust between the two power blocs. Even the minimum trust required to reach agreement, let alone to implement it, did not seem to exist. It was unfortunate, he added, that even SALT I decisions had not been implemented so far.

Mrs Gandhi, who this morning went for a nearly two-hour cruise on board the icebreaker ship Urho, told the Finnish President that what was needed in international diplomacy today was an icebreaker. "We need to first break the ice," she commented.

As she had done earlier during her current European tour, Mrs Gandhi explained to President Koivisto the major decisions of the seventh non-aligned summit, emphasizing the need for informal consultations among heads of State and Government on pressing world problems. This was why, she told Mr Koivisto, that the suggestion had been made for leaders of Government to attend in strength the coming session of the United Nations General Assembly.

Copenhagen Speech, 13 Jun

Bombay THE TIMES OF INDIA in English 14 Jun 83 pp 1, 9

[Text]

COPENHAGEN, June 13
(PTI).

THE Prime Minister, Mrs. Indira Gandhi, today rejected the argument that India had made slow economic progress because it was a 'soft' state.

"Astonishingly" such criticism came from known liberals "who ought to remember that much as human beings desire and need material progress it cannot be at the cost of other values like freedom and self-respect and the right to develop their own personalities and chart their own course", Mrs. Gandhi said.

The Prime Minister was addressing the Danish council of international development co-operation on "the Indian path of development".

Indian planning, Mrs. Gandhi said, was for "change with consent". Non-democratic planning might temporarily make or appear to make faster progress. "Taking the people along with us may be slower but we consider that it is the surer way".

She also castigated some of the aid-giving countries for their lack of appreciation or respect for a country's political compulsions and social realities. India had received aid but by no means was it all charity. It was good business and good publicity for the givers. Much of the aid could be used only in accordance

with the givers' own priorities. She paid tributes to Scandinavian countries for their enlightened approach to aid.

India's objectives were fuller utilisation of natural resources, balanced regional growth and reduction of disparities which could not be achieved by "entrusting our economic activity to outsiders or the purely profit motivated of our own society, however capable they might be".

International co-operation for development was no less important than for peace, Mrs. Gandhi said.

India used the word socialism, Mrs. Gandhi said, to describe its social values. Indian socialism did not imitate any other. "It does not rest on the theory of class conflict nor does it envisage monopoly for the state over all economic activity or all means of production. It does believe that public good rather than private profit should govern economic decisions".

Planning in India, she said, was an open, democratic process and the effort was to involve all sections of the people. India's plans sought to build, by democratic means, a rapidly expanding and technologically progressive economy and a social order based on justice and offering equal opportunity to every citizen.

STATE'S ROLE

The Prime Minister also dwelt on the efforts to change a traditional society into a modern democratic one through the people's consent and by peaceful means, and on the role of the public and private sectors. A considerable part of foreign trade, she said, was in private hands. The state had special responsibility for the core sector industries. Some of the industries had been nationalised because they mismanagement by private owners threatened closure.

"The state had also to take the initiative for the growth of industry because our private entrepreneurs have neither the desire nor the capacity to invest in projects which are of national interest but of long gestation," she said.

Mrs. Gandhi told the audience that she travelled a great deal within her country and had noticed the "steady progress". Poverty was "diminishing", but progress itself raised expectations and aroused discontent.

Foreigners often remarked on the smiling faces, friendliness and hospitality of India's poor. One of the pa-

radoxes of life was that the poor were full of song and laughter, richer in spirit.

INDIA'S RISE

"Why should material development inhibit spontaneity and natural joy, just as formal education sometimes affects the blossoming of individuality. Perhaps our concept of development is too narrow. I am no apologist for poverty nor an admirer of affluence. The lack of essentials and unnecessary drudgery that poverty lead to must be eradicated. But do we have to go to the other extreme, to wasteful consumption and accumulation of possessions?" she asked.

Mrs. Gandhi informed the council that 65.6 per cent of government expenditure was being devoted to development. Of the total investment in development in the last 32 years, only 13 per cent had come from outside. The per capita income had gone up from Rs. 246 to Rs. 1,750 last year at current prices. The saving rate of people had also gone up from ten per cent in 1950-51 to 22.8 per cent now. Though the per capita income was

low, India was amongst the first ten or twelve of the world's industrial nations.

"We do not want the consumerist, profit-oriented society of some affluent countries. We must fight poverty and indeed we are doing so with a measure of success, but our parameters are different," she said. India did not measure progress in terms of reducing proportion of rural population. It preferred technologies which, while removing drudgery, did not make people redundant but generated more employment and encouraged creativity taking into account local skills, materials and traditions.

While conceding that expertise and specialisation had been big factors in the miraculous advance of science and technology, the Prime Minister said many new problems had arisen in the environment and most important in human relations and within individuals themselves. "Brain power has not enabled human beings to rise above pettiness and concern for immediate gain. Humankind must evolve to greater heights, not just in doing, but in being."

Copenhagen Press Conference, 14 Jun

Bombay THE TIMES OF INDIA in English 15 Jun 83 pp 1, 9

[Article by L.K. Sharma]

[Text] Copenhagen, June 14--The Prime Minister, Mrs Indira Gandhi, today described as "absurd, ridiculous and baseless" reports in some sections of the western and Pakistani press that India was going to attack the nuclear installations in Pakistan.

Replying to a question at a press conference shortly before leaving Copenhagen, Mrs Gandhi said she had seen newspaper reports that Pakistan was building an atomic bomb even though the government of Pakistan had given an assurance that it intended to use nuclear energy only for peaceful purposes.

When a Pakistani correspondent asked why India was not agreeing to the Pakistani proposal for a no-war pact, Mrs Gandhi said such a proposal had been made by India first. Mr Nehru, Mr Lal Bahadur Shastri and she herself had offered to sign such a pact but on all the three occasions there was no response from Pakistan.

Four Aggressions

She had proposed it even during the talks with the late Mr Z.A. Bhutto in Simla in 1972, but she was told that Pakistan was allergic to the words "no-war pact." Why did the subsequent government in Pakistan shelve the Simla pact which meant more or less the same as an agreement on non-aggression, she asked.

Mrs Gandhi reminded the newsmen that it was Pakistan which had attacked India four times and that India had never attacked any country.

She told the Pakistani correspondent that nothing should be misrepresented in the press since talks were going on with Pakistan and "we are trying to build bridges."

She recalled that at every stage, whether for exchange of ambassadors or for the grants of visas, it was she who had taken the initiative for talks.

When a western correspondent informed the prime minister of the eight percent increase in the new Pakistani budget in military expenditure, Mrs Gandhi hoped that the arms race would be curbed.

Pakistan was already spending a very large part of its GNP on armaments while India's expenditure on arms was one of the lowest in the world.

Afghan Problem

Also, Pakistan had asked for sophisticated arms long before the Afghanistan problem started. On an earlier occasion, the U.S. had assured that its arms, supplied to Pakistan, would not be used against India, but that was not to be.

She said India was trying to acquire some defence equipment after Pakistan had switched over to the next generation of such equipment.

Replying to a question on destabilisation attempts in developing countries, Mrs Gandhi said some of these did not lead to results that were envisaged by those who organized such attempts. She said it was true that such attempts were made when a developing country's policies were not found "suitable."

Commenting on the prospects of establishing a new international economic order, Mrs Gandhi said she was not too optimistic. The Williamsburg summit did not respond to some of the specific proposals made by the non-aligned summit but it had also favoured an open dialogue.

She was particularly keen on the programme of immediate measures being accepted even if there was for some reason a hesitation to launch global negotiations.

Replying to a question on West Asia, the Prime Minister said India was not against Israel in the sense that it recognised its right to exist but what it felt strongly against was Israel's aggressive policies.

A large number of Palestinians had been dislodged from their homes and their right to a homeland must be recognised, she said.

On the Afghanistan issue, Mrs Gandhi said Kabul had said it would ask the Russians to leave the country as soon as the training and arming of the rebels in Pakistan stopped.

The Prime Minister said she was the only person who had said the same thing on Afghanistan both in Washington and in Moscow. India was opposed to both foreign intervention.

However, it was wrong to overlook the foreign interference and intervention in other areas while condemning the developments in Afghanistan. She said she did not believe in double standards.

East-West Ties

In reply to another question, Mrs Gandhi said the deterioration in East-West relations affected the whole world and developing countries were the worst sufferers.

Mrs Gandhi also dealt with the situation in Assam and Punjab. With regard to the Punjab situation, she said if there was an agitation, it was in the U.S. and Canada.

Even the Akali Dal in Punjab, which sometimes said it was a political party and at other times that it was a religious party, was not associated with the demand raised by the few agitators abroad.

On the Assam situation, Mrs Gandhi said her government tried to protect the lives of people in the face of an agitation supported by some political elements and some small groups. The events had not been reported correctly in the foreign press, she said.

Asked to comment on the outcome of the Jammu and Kashmir elections, Mrs Gandhi said there was no problem there even though some irresponsible statements had been made in certain quarters.

On the film, "Gandhi," the prime minister said the government of India did extend some financial assistance but it was in no way involved in any aspect of the film's planning or production.

She appreciated the film, particularly the excellent performance of Ben Kingsley, but said that some inaccuracies had crept into the film. She saw the film only after it had been made.

PTI adds: The film "Gandhi" is running in several cinema houses in Denmark and Europe, evoking a lot of interest in India.

CSO: 4600/1324

REPORTAGE ON DEFENSE MINISTER'S VISIT TO MOSCOW

Venkataraman 24 Jun Remarks

Calcutta THE STATESMAN in English 25 Jun 83 p 1

[Text] Moscow, June 24--The Soviet Union has agreed to supply India with advanced missiles, advanced MIG aircraft versions that have been fully tested and tried, and improved types of tanks, the Defence Minister, Mr R.Venkataraman told reporters here today, says PTI.

Replying to questions about the talks between the Indian defence delegation headed by him and the Soviet delegation headed by Marshal Dmitry Ustinov, Soviet Defence Minister, Mr Venkataraman said the Soviets have also agreed to India's proposal for favourable credit terms.

Mr Venkataraman was asked if India would not have to shop in a big way elsewhere and that the Soviet Union would continue to be the main supplier of India's defence requirements.

He replied, naturally, no country could depend entirely on one country in the international context. If there is any crisis in one particular source, we should not be left without an alternative supply source. Only to that extent are alternative sources being explored--not for merely keeping the balance between countries.

Mr Venkataraman stressed at the same time that India was trying to develop its own capabilities and was to a large extent self-sufficient particularly in ammunition and certain kinds of artillery.

The Indian delegation had sought to study the advances the Soviet Union has made in the fields of aircraft production and missiles.

The Soviets were prepared to share with India their fully-developed technology. The Minister said, adding: "Unless they are fully developed and tested, they do not wish to disclose it to anybody. Their desire to help India modernize its defences was fully reflected in our talks."

Mr Venkataraman said the Soviet Union had agreed last year to make substantial supply of ships and his delegation had during the current talks pressed for implementation of the agreement.

He said the talks had also touched upon purchase of transport vehicles for the Indian Air Force.

Asked if the Soviets would only sell advanced MIGs and tanks or agree to India producing them itself, Mr Venkataraman said the Soviets always agreed to transfer "fully develop technologies."

He noted that India was already making MIG aircraft in Koraput. India will have facilities to produce the advanced tanks the Soviets are willing to supply.

UNI adds: India and Soviet Union have discussed possibilities of fresh Soviet credits to India to enable her to meet the overall requirements in the field of defence.

This was disclosed here today by Mr Venkataraman.

Talking to Indian reporters Mr Venkataraman expressed his complete satisfaction with his talks with the Soviet Premier, Mr Nikolai Tikhonov and the Defence Minister, Marshal Ustinov.

Mr Venkataraman said the Soviet response to India's queries were "positive."

Mr Venkataraman today left for Riga to inspect some of the naval establishments. He was given a ceremonial farewell at the airport.

Mr Venkataraman will leave Riga for Frankfurt on June 27. He will visit Vienna before returning to Delhi.

Mr Venkataraman earlier in the day met the first Soviet Vice-President, Mr V. Kuznetsov.

More on Meeting with Reporters

New Delhi PATRIOT in English 25 Jun 83 pp 1, 7

[Article by Vinod Taksal]

[Text]

MOSCOW June 24—Soviet Union has agreed to supply to India new missiles and improved versions of the MIG series of aircraft to help the country's defence preparedness and security needs.

It has also agreed to transfer to India requisite technology for the manufacture of the aircraft within the country, and give financial assistance to help India

buy from the USSR what defence Minister B Venkataraman and described as 'new kind of defence equipment.'

Mr Venkataraman, who arrived here on a friendly goodwill visit last Tuesday, in an informal chat with Indian newsmen said he was 'very happy' with the two rounds of talks he held in the Soviet

capital with Defence Minister Marshal Ustinov and Premier Nikolai Tikhonov.

Soviet reaction to India's defence needs was 'favourable' and 'positive', Venkataraman said and thoughtfully added, 'they are ready to help India modernise itself and become strong'.

This was a reflection of the sentiments expressed by the Ustinov, who at a luncheon speech had assured that the USSR 'will cooperate to strengthen friendly India to defend the cause of peace.'

No new contracts or agreements have been signed or deals struck, but Mr Venkataraman indicated that future bilateral co-operation between the two countries would be a logical progression of past collaboration in defence field.

The Minister declined to specify which new missiles, aircraft or defence equipment would India acquire, but allowed himself to observe that the USSR has made advances in aircraft designing and manufacture and production of 'certain types' of missiles.

He hinted that besides new generation missiles and improved versions of MIGs, India would also acquire from Soviet Union modern helicopters and transport planes to replace the ageing An-12 workhorses. The Soviet fleet of IAF's Choppers I-4 and Union is developing a new version of An-32 transporters at India's request.

While the Army is to be fitted out with modern, sophisticated T-72 tanks to be manufactured indigenously, the Defence Minister said he had requested the USSR to 'implement expeditiously' the on-going cooperation programme to help meet the Navy's requirements.

The Soviet Union had last year agreed to render India substantial assistance in modernising its naval fleet and the process is continuing, the Minister said.

He also disclosed that the USSR had expressed readiness to share with India its modern technology, but was unwilling to pass it on until it was reliably tested and fully developed.

When asked about the talk of 'diversification' of the country's

defence purchases and India's acquisition of weaponry in the West, Mr Venkataraman asserted that India was 'not trying to balance' its sources of defence equipment as was made out by western media.

No country could completely rely on only one source of defence equipment and would want an alternate channel of supply should there be crisis in one source. 'Only to that extent alternate sources are being explored,' he said.

India, he stressed, was basically trying to develop its own production capacities. To a large extent, the country was self-sufficient, for example in ammunition and some pieces of artillery. It was now exploring new kinds of equipment indigenously.

The Defence Minister today had another round of informal talks with Marshal Ustinov when the Soviet Defence Minister called on him at his residence this afternoon. They spent about 45 minutes together and are learnt to have summed up earlier discussions. Defence Secretary P K Kaul and Ambassador Abuja were present.

Mr Venkataraman today also had a 45-minute meeting with Soviet First Vice-President Vasily Kuznetsov in the Kremlin. Sources described it as a courtesy call.

Earlier in the morning, the Defence Minister visited a nearby air base and witnessed aerobatics display and exercises despite an overcast sky. Last night he inspected an aircraft production unit.

Accompanied by Admiral Gorshkov, this evening he left for Baltic coast city of Riga, where he is to spend two days and visit a naval unit. He is also to visit Leningrad for a few hours on his way back to Moscow.

Importance of Soviet Ties

Bombay THE TIMES OF INDIA in English 27 Jun 83 p 8

[Editorial]

[Text]

Mr. R. Venkataraman's mission to Moscow has once again underlined the importance of the Russian connection for India's security. After his talks with his Soviet opposite number, Marshal Dmitry Ustinov, the Soviet Union has readily agreed to supply this country with advanced missiles and improved versions of MiG aircraft. What is more, it has offered these supplies—like those contracted for earlier—on "favourable credit terms", not available from other arms suppliers. And to cap it all, the Soviet leaders have reiterated their willingness to transfer fully developed technologies for the production of whatever equipment this country wishes to manufacture. It is a combination of these three characteristics of Moscow's policy on arms supplies that makes the Soviet support to the modernisation of India's defences so attractive. It also helps to put in perspective the question on the desirability of diversification of sources of arms supply.

Diversification, as Mr. Venkataraman has pointed out, is not an exercise in striking a balance between the East and the West but a natural desire on the part of every country not to get too dependent on any single source. He could have added that a fetish cannot be made of diversification, especially if the cost is prohibitive or it becomes an obstacle to self-reliance in defence which is this country's primary objective. There are some non-Soviet sources which are willing to sell arms to India but not to transfer the technology for their production here under licence, the U.S., for instance. In other cases, there is a willingness to transfer the technology for production but at costs which this country cannot afford. A decision to first acquire and then produce locally the Soviet T-72 tanks was taken in 1980 primarily because the alternative western tank on offer was at least three times costlier. Much the same thing seems to have happened now. The cost of exercising the option to produce Mirage-2000 at HAL appears to have been too high. The MiG production line is thus the most attractive one. Originally set up to produce MiG-21 it can surely be updated to turn out MiG 27s and eventually perhaps the even later versions of this aircraft. Two other features of Mr. Venkataraman's talks in Moscow deserve notice. First, that he has found it necessary to stress the need for an expeditious implementation of last year's agreement for the supply of naval vessels. And secondly, that the Soviets are willing to continue the production of AN-32 transport aircraft almost exclusively for India's benefit.

Accord Not Reached

Madras THE HINDU in English 27 Jun 83 p 1

[Text] New Delhi, June 26--No agreement as such has been signed with the Soviet Union for the supply of new weapon systems, but an understanding has been reached during the current visit of the Defence Minister, Mr R. Venkataraman for obtaining the latest equipment for the Army, Navy and Air Force.

The senior military officers who accompanied Mr Venkataraman to Moscow have returned to Delhi and the Defence Secretary Mr P.K. Kaul is expected back tomorrow or the day after well in time to take over as Finance Secretary on July 1 after relinquishing his present charge.

The Defence Minister will return home a week later since he is taking a few days off to see his daughter and son-in-law who works for the UNIDO in Vienna. The political, financial and technological aspects of the latest defence deals with the Soviet Union will be carefully examined after he has reported to the Cabinet, before the necessary agreements are signed in due course.

Expansion of Tank Factory

The highlights of these new Indo-Soviet defence deals include the expansion and re-equipment of the Avadi heavy vehicles factory to manufacture T-72 tanks with Russian collaboration and an eventual switch-over to T-82s when these more advanced versions are available, the development of the MIG factories in India to produce MIG-27s, 29s and eventually 31s under licence, and the supply of a wide range of equipment for the Navy to enhance its underwater and surface operational capacity with the right mix of submarines, frigates and patrol boats.

The Soviet Union has also agreed to both sell and assist India in the manufacture of other categories of combat vehicles, latest artillery and missiles, and rocket weapons for its ground forces. The package for the Air Force includes, besides advanced MIGs, heavy transport planes to replace the aging AN-12s which have served the IAF well for over two decades, some helicopter gunships and other air support equipment for ground operations.

The Soviet Union is already supplying the Rajput, Ranjit and Rana class of missile frigates which are rated as some of the best in the world. It will also be replacing the old submarines with more sophisticated ones for attack roles, while the two that are being acquired from West Germany and the two more to be built at the Mazagon Docks with German collaboration will be used primarily for search and kill roles.

An important feature of the Indo-Soviet defence cooperation has been that Moscow has allowed India to upgrade the military hardware supplied by it and also transfer some of its weapon systems to other categories of equipment in use with the Indian armed forces. It raised no objections to India refitting the obsolete T-54 tanks with the 105 mm Vickers gun made in India with British collaboration. It also permitted the installation of French-built

Matra missiles on MIG-21s, besides allowing the transfer of some of the missile systems from Soviet-supplied missile boats to the Trishul class of frigates based on the Leander design.

Special Design Features

The new Godavari class frigates that India is designing for manufacture at the Mazagon Docks to replace the British Leanders, will combine some special features in the hull and super-structure design incorporating both British and Soviet concepts for greater mobility and maximum fire-power with the very latest missiles. The Indian Navy will thus be able to derive considerable advances made by the Soviet Union in the development of its naval designs and weapon systems.

The Soviet Government has been equally accommodating in its offer of credits for deferred payment on nominal interest. It has also been offering the equipment at considerably cheaper prices than what the western suppliers demand for comparable weapons.

CSO: 4600/1368

EEC REPRESENTATIVE SPEAKS ON TRADE WITH INDIA

Bombay THE TIMES OF INDIA in English 20 Jun 83 p 9

[Text] Alpbach (Austria), June 19 (PTI)--A representative of the European Economic Community (EEC) has said that the Williamsburg summit of industrialised countries could have done more for the restructuring of international economic relations and the difficulties created by indebtedness.

The representative, Mr E. Pisani was addressing the Alpbach European forum "Western Europe-India."

He told the gathering that the community was prepared to consider the viability of a more generalised system of stabilisation of export earnings for the poorest countries, provided other industrialised states and their developing trading partners would play their part.

The community was paying urgent attention to the problems currently being discussed at the UNCTAD meeting in Belgrade, Mr Pisani said, adding that the European Commission had launched the idea of extending the role of the European bank to include at least to a limited degree, the developing countries outside the Lome convention.

Close Links

Talking about the close links forged by the community with India, Mr Pisani said, viewed from Europe, India was in a unique position to bridge the gap between North and South.

The aid the community extended to India, he said, would continue to be directed first to the less favoured in the form of grants for financial and technical assistance to agriculture and rural development. The community attached importance to the qualitative aspects of aid ensuring the benefits reached all levels of society.

The community favoured the extension of trade promotion programme with India. Currently, Mr Pisani said, the European Community was involved in a project to increase mutual understanding of factors affecting the flow of technology from the community to India in scientific and technical co-operation.

Mr Pisani said India was the biggest single recipient of community aid now totalling \$120 million a year, leaving aside bilateral aid from community members of about \$500 million a year.

Stating that India could not expect a substantial increase in the quantity of aid from the community, Mr Pisani said the qualitative aspects of aid could, however, be improved. Already public aid to third world from the community and its member-states was running at \$12.7 billion, more than double that of the United States, and five times that of state trading countries.

The long-term aim was to set a target level of one percent of the community's GNP against the current 0.5 percent, he said.

Referring to India's large state deficit with the community, Mr Pisani said Indian business circles blame the community terms of access for the high deficit. The community and the U.S. import broadly comparable quantities of manufactured goods from the developing countries and more than three times that of Japan. The community still remained the third world's biggest customer for textiles and agricultural products, he said.

Sixty-five percent of India's exports to the EEC enter duty free, and of the rest, only three percent was not covered by reduced tariffs under the GSP.

CSO: 4600/1352

UN DELEGATE SPEAKS FOR NONALIGNED ON SOUTH AFRICA

New Delhi PATRIOT in English 18 Jun 83 p 3

[Text] United Nations, June 17, (PTI)--India yesterday attacked South Africa's offer to allow citizens of Indian and other Asian origins 'inferior' participation in Parliament.

It renewed a call for the non-aligned movement to improve comprehensive and mandatory sanctions on the racist regime of South Africa to assist the legitimate struggle of the oppressed people of South Africa.

India's permanent representative at the UN, Natarajan Krishnan, speaking on behalf of the Chairman of the Non-Aligned Movement, told a special committee that it was time for world opinion to intensify its efforts to ensure that the basic tenets of human justice and international behaviour were respected.

He was addressing a meeting of the UN Centre against apartheid, on the International Day of Solidarity with the people of South Africa. The meeting marked the seventh anniversary of the SOWETO children's massacre.

He called on the western powers who had influence with the Pretoria regime to act resolutely to compel it to give up its present disastrous policies and practices.

In his speech, Mr Krishnan said the racist regime was entrenching apartheid by oppressive and unjust laws behind a smokescreen of diversionary propaganda.

It had proceeded to dispossess the African population of all its rights by the forced removal of population under the Group Areas Act, herding people back into 'homelands' under influx control laws.

He said the proposal to introduce the so-called constitutional reforms by offering coloured and Asian participation in Parliament with a status inferior to that of whites and totally excluding the Africans was yet another device of the South African regime consolidate white minority rule.

Mr Krishnan and other speakers at the meeting condemned the 'wanton act of brutality' by the South African Government which has last week flouted the appeals of the Security Council and the International Community to commute the death sentences of three freedom fighters, Simon Mogerane, Jerry Molosololl and Marcus Mottung and executed them.

The committee heard messages from several heads of States including those from Ethiopia, Pakistan, Guinea, Syria, Senegal and Vietnam denouncing the regime of South Africa and calling for increased pressure by the International Community on the regime to force it to abandon its apartheid policies.

UN Secretary-General Peres de Cuellar, in a message on the occasion, said the continued tensions and turmoil in the whole southern African region and the escalation of violence bears witness to the urgency of breaking a vicious circle which not only causes widespread suffering and bitterness but also has ominous implications for international peace and security.

CSO: 4600/1347

WRITER REVIEWS STATE OF TRADE WITH EUROPE

Madras THE HINDU in English 15 Jun 83 p 8

[Article by C.V. Gopalakrishnan]

[Text] Possibilities exist for strengthening economic cooperation with countries in Mrs Gandhi's itinerary but most of the time has been taken up for discussing the world political situation.

THE Prime Minister, Mrs. Indira Gandhi, and the senior officials accompanying her during her present whirlwind tour of Europe will not have much time for detailed discussions with the governments of the countries they are visiting on the expansion of economic cooperation with India. India has developed close ties with all these countries which have extended economic assistance to it for several years now.

Out of India's total external borrowings amounting to Rs. 19,440.68 crores from governments and Rs. 1,238.99 crores from non-governmental sources till the end of December 31, 1982, the respective share of the countries which Mrs. Gandhi is now visiting together with the rates of interest charged on the loans are: Austria, Rs. 39.82 crores at two to 5.5 per cent; Denmark, Rs. 39.19 crores at four to five per cent while some of the credits are interest free; Yugoslavia, Rs. 18.18 crores at 2.5 per cent.

Finland and Norway do not figure in the long list of countries from which India has borrowed. However, while Finland has not extended to India credit in the same manner as the other countries, there has been extensive economic cooperation between the two and there is an Indo-Finnish joint commission which has had four meetings so far.

Norwegian assistance

Norway has been giving annually about Rs. 17.59 crores worth technical and commodity assistance — for projects including fisheries, family welfare, technical education, science and technology and by way of fertilizer and paper. During 1982-83 Norway

gave Rs. 3.40 crores for family welfare programmes and an equal amount is expected during the current year.

The value of commodity assistance received during 1982-83 is Rs. 6.18 crores worth of fertilizer, Rs. 70 lakhs of fishery equipment, Rs. 2 crores of paper while the respective figures for 1983-84 are Rs. 8.35 crores, Rs. 1.94 crores and Rs. 3 crores. Apart from this, as one of the countries engaged in North Sea oil exploration Norway is very important for India which is desperately trying to become self-sufficient in oil.

India's economic relationship with Yugoslavia is marked by the same state of stagnation as in the case of the other East European countries. This is due to the fact of their not being in a position to meet India's present needs of machinery and equipment embodying higher technology than in the past and giving greater satisfaction. Most of the industrial hardware which Yugoslavia can now offer to India are available indigenously. Any effort to buy from Yugoslavia will hit indigenous producers. Nevertheless India has done some shopping in Yugoslavia though the result has not been satisfactory to either country.

Yugoslav credits

Yugoslavia had extended two credits totalling Rs. 49.24 crores for purchase of ships and import of capital goods, equipment for power projects, marine diesel engines for fisheries. The first credit was repayable over a period of six years in the case of ships and eight years in the case of other capital equipment. The second credit

was mainly suppliers credit with only a small element of government credit. At a time when there is excess availability of ships in the world and the international shipyards are lying idle for lack of orders and also when the Indian shipyards would need determined support from the government, it is not surprising that proposals for the purchase of ships from Yugoslavia should cause considerable uneasiness in India.

Instructive

The situation is hardly different in the case of the other equipment the purchase of which is to be financed by the Yugoslav credit since here again the capacity within India has been suffering from underutilisation. Very little headway has therefore been made in the utilisation of Yugoslav credits.

What should be instructive to India in its efforts to expand economic cooperation with Yugoslavia which is as badly hit by the global recession as any other country is the moderation and sweetness of temper which Yugoslavia has brought to the conduct of its political and economic relations with all the countries — Western, communist and the Arab world. At the end of last year, Yugoslavia had to struggle to manage a colossal external debt of as much as \$18 billions.

A factor which greatly helped Yugoslavia while it was exploring the possibilities of raising the resources to finance both its own development expenditure and the servicing of the foreign debt was that there had been no abrasiveness in its pronouncements or a propensity to moralise. A "rescue package" involving participation by the International Monetary Fund, the World Bank, the Bank for International Settlements and many foreign governments and commercial banks would help Yugoslavia raise resources to the tune of \$1.3 billions from the governments, 554 million SDR (special drawing right amounting to about \$600 millions) and refinancing from private banks.

Lucky

Though Yugoslavia cherishes its independence and is as earnestly trying to make itself self-reliant in critical sectors as India, this has not filled it with any complexes. Yugoslavia has been lucky both in winning and retaining friends among the international community.

On terms of the latest protocol signed in Belgrade, India and Yugoslavia have agreed to double their total trade turnover in the next one year.

The volume of trade between India and Finland is very small, with exports from India amounting to not more than Rs. 6 crores and imports from Finland around Rs. 30 crores a year. Major exports from India are readymade garments, cotton textiles, leather and leather manufactures, engineering goods etc., while the imports are mainly paper and paper board, electrical machinery, etc. The trade imbalance between the two countries has figured in discussions between the two governments

and India had requested Finland to step up imports of jute, coffee and tobacco.

Finland, however, is of greater importance to India than what the small volume of trade between the two countries might suggest. The well-known Finnish metallurgical firm, Outokumpu, had been associated with Hindustan Copper Corporation ever since its inception and had supplied the technology for its flash smelter. The Outokumpu engineers had been monitoring the performance of their smelter since it was commissioned in November 1974. They also helped Indian engineers carry out extensive modifications of the smelter and the lessons learnt from the modification were hailed as a major gain both for the Indian and Finnish engineers.

Modernisation of Nepa

Outokumpu continues to be of interest to India's metallurgical industry since its operations extend from prospecting and mining to production of finished metals. It is now building a pilot plant for the flash-smelting of lead and should be setting up a commercial plant in another two years. A serious problem faced by the company and its plans for meeting the same will be of some relevance to India as well. There has been a depletion of the copper ore. Anticipating this situation Outokumpu had earlier accelerated prospecting and located new areas for mining. The company is also extending its mining activity to Norway, Canada, U.S. and Australia.

Yet another crucial area in which India has sought Finnish assistance relates to the modernisation of the Nepa newsprint factory, Jaako Poyry, a Finnish firm of consultants, had carried out a study on the modernisation requirements but very little seems to have been done in the matter of taking action on what the study has recommended.

The scope for further expansion of economic cooperation with Norway will call for determined effort from India, principally because of what it could offer for offshore oil exploration and related matters. There has been an exchange of knowledge and experience between India and Norway in matters relating to offshore exploration and production.

Expertise

The need to learn more on these matters from Norway was highlighted rather forcefully last year by the gas blow-out in the Bombay High which totally wrecked the drilling ship, "Sagar Vikas." Apart from the expertise which Norway has developed to manage an offshore oil or a gas blow-out by the quick mobilisation of equipment, the aggressiveness which the Norwegian Government brings to this task without leaving it to the oil companies to handle exigencies relating to oil slicks, pollution control, etc., should be of considerable interest to India.

In fact, the late K. D. Malaviya, when he was Union Minister for Petroleum, was very keen to have a setup similar to the

Norwegian Petroleum Directorate to take care of these matters. A discovery which is being made rather late is that the mere fact that oil companies are State-owned does not really ensure that they will pay more attention as they should to matters relating to blow-out control, control of pollution, etc., than the private sector oil industry. But Malaviya did not get very far with his plans for such a directorate.

Competitive

Austria has been of great help to India providing suppliers' credit for purchase of machinery for power and steel plants. Not much interest has, however, been taken in promoting Indo-Austrian economic cooperation in spite of the fact that Austria is among the few countries with which India has been having a trade agreement since 1963. India, while scouting for machinery purchases in Western Europe, has been having an advantage in buying from Austria in view of the fact that Austrian prices have been more competitive than West Germany's.

Though wage costs had risen higher in Austria than in West Germany during the last five years prices of capital goods in Austria had still remained cheaper because productivity increases in Austria were higher than in West Germany or Western Europe. The situation, however, may not continue to be so good in view of the fact that Austria's public sector industries have been faring badly and are running huge losses. The losses amounted to 5 billion

schillings (about 18 schillings are equivalent to a dollar) and a huge chunk of the losses was accounted for by the steel sector.

Though it is a very small country, Denmark has extended assistance to India for certain major programmes relating to family welfare, trachoma and blindness control, oceanographic research, etc. During 1983-84 the anticipated cash assistance from Denmark is Rs. 9.55 crores. As a partner in North Sea oil exploration, Denmark has also built up a reservoir of expertise for tackling offshore oil exploration emergencies and its crews are in demand when such emergencies occur.

Possibilities

The subjects dealt with so far give only a very brief indication of the possibilities which exist for strengthening and expanding economic cooperation between India and the countries in Mrs. Gandhi's itinerary. It, however, looks very unlikely that any purposeful discussions could be held on matters which are so very specific and which will call for unparing attention to detail. A good part of her time in the countries she has already visited has been taken up for discussing the international political situation while the economic issues could come for only a very general treatment. It is doubtful whether the economic questions would have claimed even that much attention but for the UNCTAD session currently being held in Belgrade.

C. V. Gopalakrishnan

CSO: 4600/1321

GANDHI EUROPE VISIT BEGINNING OF NONALIGNED INITIATIVE

Madras THE HINDU in English 27 Jun 83 p 8

[Article by K.K. Katyal]

[Text] The dual capacity of Mrs Gandhi, as the Prime Minister of India and chairperson of the non-aligned movement was evident all through the 12 days of her recent tour of the five European countries. The discussions with her hosts on the Delhi summit follow-up and the woes of the developing world were as detailed, if not more, as on bilateral matters. This two-in-one role has to be kept in mind in assessing the outcome of the visit.

WHETHER or not there was a set purpose in Mrs. Indira Gandhi's visit to Yugoslavia, Finland, Denmark, Norway and Austria in one trip, most of these countries do constitute a class by themselves. Barring Yugoslavia, a founder-member of the non-aligned movement, the other four, though belonging to the North, are sympathetic to the problems of the South. The visit therefore marked an appropriate start of the Prime Minister's initiatives as the leader of the non-aligned.

Economic ties

In the bilateral field too, there is a commonality. India does not have a problem with any of these countries and though the degree of cordiality may vary, the political relationship is free from irritants in all cases. At the same time, economic ties are not commensurate with the political warmth.

Yugoslavia illustrates the point — the value of the trade between it and India recently dropped by nearly one-third. This may have been due to specific, identifiable reasons, like the end of the rupee-trade arrangement and parallel nature of their economies, but the fact of the decline is there. Mrs. Gandhi ably assisted by her Principal Secretary, Dr. P. C. Alexander, devoted considerable attention to measures for a stepped-up, balanced trade relationship.

Rapport at the top

The axiom that friendship is not to be taken for granted and that continuous efforts are needed to sustain and promote it is as much true in international relations as in personal dealings. In most of these countries, a new set of leaders have come to power and despite the continuity in the foreign policy lines, there is no escape from personal contacts for maintaining rapport at the top.

In Yugoslavia, a new set of leaders are at the helm of affairs and the present President, Mr. Mika Spiljak, took over a few weeks ago under a rotational arrangement under which a change is effected annually. They sought and got the assurance that the relationship between their country and India would be maintained at the level reached in the Tito era.

In Austria, the Chancellor, Dr. Fred Sinowatz too had been in office for barely a month at the time of Mrs. Gandhi's visit. His predecessor, Dr. Kreisky, had a good equation with her and although he had publicly criticised the promulgation of the Emergency, in keeping with the stand of the Socialist International, he was the first to see her on her return to power and later came closer to India because of his initiative for the Cancun Conference and his persistent pleas for avoiding North-South confrontation.

Dr. Kreisky bowed out of office because his party, the Socialists, did not get an absolute majority in the recent elections. Though the new Chancellor belongs to Dr. Kreisky's party, he now heads a coalition with the liberals, the Freedom Party of Austria. The imperatives for renewing acquaintance with the new leaders were equally strong in this case too.

In Finland, the President, Mr. Mauno Koivisto has yet to complete a year in office. This and the fact that his country is positioned on the dividing line between different spheres of influence and has a keen perception of East-West relations made a visit to Finland by the leader of the non-aligned movement a "must".

As neutrals, both Finland and Austria, have a natural kinship with the non-aligned India and the non-aligned movement as a whole. They share India's perceptions not only on the problems of the underdeveloped but also, to a considerable extent, East-West relations.

Norway and Denmark, however, are members of the Western military alliance, the NATO, and as such have a fixed view on the political situation in Europe as also on the issues involved in trouble-spots in the rest of the world. But their sympathy to the needs of the underdeveloped contrasted sharply with some of their NATO cousins. It was therefore in the fitness of things, that Mrs. Gandhi should have chosen the Nordic countries for her first visit abroad as the NAM chief and the results, though not dramatic, justified the decision.

There was a definite Nordic viewpoint on North-South issues which, coupled with the sympathetic stand of President Mitterrand of France, should stand the non-aligned in good stead.

Mrs. Gandhi set the tone of her mission with her Raul Prebisch lecture to the UNCTAD delegates at Belgrade on the first day of her tour. American officials, present for the UNCTAD discussions, while briefing correspondents of the U.S. media were stated to have criticised the severity of her views.

Surrogate colonialism

What they had in mind was not known — perhaps, they were unhappy with such references as "those who help are tempted to interfere... international institutions want to pressure and change policies... not appreciating the compulsions of our circumstances". Or with her talk of surrogate colonialism "which is all the more pernicious because less obvious and recognisable".

True, our missions, some headed by capable diplomats, kept New Delhi informed of the mood towards India in the countries to which they were accredited. But when at one press conference after another the Prime Minister was queried on the "massacres in Assam and Punjab", on the possible Balkanisation of India, the picture of India, as conjured by some sections abroad, became clearer.

Or the following query: "How else shall we describe the power of and pressures exerted through the monopoly control of capital, the withholding of superior technology, the political use of grain, the manipulation of information so subtle and subliminal in influencing minds and attitudes?"

None of Mrs. Gandhi's hosts however appeared to be unduly worried over the tone or content of her Belgrade address. On the contrary, they recognised the inequities of the present economic order and the need for reforms. They favoured continued replenishment of the resources of the institutions dealing with concessional finance and were sympathetic to the idea of summit-level consultations in New York during the September session of the U. N. General Assembly. And if they did not announce, there and then, their individual acceptance of the proposal it was because they wanted to be sure of the big power presence, without which no series of consultations, formal and informal, would be meaningful.

The hottest topic in Europe these days is the possible missile confrontation and the prospects of its avoidance. On this issue, because of the nature of the alignment (or non-alignment) of each of the five countries, two distinct views were discernible with Norway and Denmark, on one side, and the remaining three on the other.

Particularly worried by the current developments was the Finnish President who had just then returned from a trip to the Soviet Union and was up-to-date with the thinking in Moscow.

Austria, too, was concerned over the growing estrangement between the two power blocs and its repercussions in Europe and elsewhere. Mrs. Gandhi's job, in these circumstances, was cut out — she had to throw the weight of India and the non-aligned community on the side of those who would like the confrontation to be averted.

The trip served to reveal, as nothing else would have done, how others see us.

At Copenhagen and Oslo, small groups, vastly outnumbered by the welcoming throngs, shouted hostile slogans. They got better coverage in the Danish press, in any case, on the day of Mrs. Gandhi's arrival. An Oslo radio station announced beforehand that demonstrators awaited her at the airport. It later turned out that there is more than one radio network in Oslo, some privately-owned. Indian residents told us how exaggerated stories of the developments in Punjab and Assam, appearing in the local press, demoralised them.

In her speeches and replies at the press conferences, Mrs. Gandhi put the problems in perspective. She sought to dispel the view that the Sikhs, as a community, were engaged in a crusade for secession, saying that the demand was confined to a tiny group, with links abroad, that even the Akali Dal which had launched an agitation against the Government disowned the separation slogan.

The Akalis, she told foreign audiences, did not raise the demands, the basis of the current stir, when they were in power in Punjab and their allies ruled the neighbouring Haryana and Rajasthan. She considered it important because the Akalis now want a share in the territory and waters claimed by Haryana as its due as also in the waters of Rajasthan.

It turned out to be a multi-purpose trip.

K. K. Katyal.

CSO: 4600/1372

GANDHI MEETS REPORTERS ON RETURN FROM EUROPE

Calcutta THE STATESMAN in English 20 Jun 83 pp 1, 7

[Text] New Delhi, June 19--On her return home today from an 11-day visit of European countries, Mrs Gandhi reacted sharply to the role being played by both the Akali Dal and the Opposition parties. It was, she felt, making the Punjab problem more intractable. It was not possible for the Government to take a new initiative to solve the problem until "we know what their attitude is to the spate of violence and murders taking place in the State," she added.

"What were these parties (the Akalis and the Opposition) doing to solve the river water and boundary issues when they were in power for three years?" Mrs Gandhi demanded from reporters at Palam airport.

Asked if she would take any fresh initiative on the Akali demands, she snapped: "What new initiative?" The basic point was that "we must know the views of the country on the violence and the types of agitation aimed at disruption...I want a categorical answer from the Opposition parties too, on these questions," she said.

The Government had met the Akali leaders separately and along with the Opposition leaders, but they never came out clearly with their views, Mrs Gandhi said. It was amazing that they had not spoken a word against the sabotage and frequent brutal murders taking place in Punjab in the wake of the Akali agitation.

Mistaken Views

The Opposition was not interested in solving the problem, but in making and preventing it from solving the problems. Many of the parties were supporting the Akali agitation under the mistaken impression that it would help them politically and "without any consideration for the consequences to the country."

The Akali leader, Sant Harchand Singh Longowal, had claimed that suspension of train services on the day of the projected "rail roko" agitation was a victory for the Akalis. The Prime Minister said that she did not believe in victory or defeat. "But I would like to say that their intentions are very clear. There was sabotage even though the agitation was withdrawn.

What do the other political parties have to say on that? she asked. As for "victory or defeat," the Government had suspended rail services on June 17 to ward off any untoward incidents taking place during the planned agitation.

Akali Objectives

Mrs Gandhi also charged the Akalis with whipping up agitations on the river water and boundary issues to achieve their political objective--recapturing power. The basic disputes were not these issues; otherwise they would have been solved when they were in power for three years.

To talk about "peaceful agitations" was all right, she said, "but the Akalis have no business to launch them if somebody is taking advantage of them and people's lives are endangered because of them. It seems to be part of their policy."

It was the Opposition parties who had advocated the need for allowing peaceful agitations. But the Akali agitation has not been peaceful. Murders had taken place. "Somebody else is taking advantage of the Akali agitation. It is too bad. The Akalis themselves have lost control over the agitation."

Mrs Gandhi said she feared that the projected Opposition conclave on June 30 on Punjab would create greater trouble for the Government, rather than help it solve the Punjab problem.

Barnes and Khalistan

Mrs Gandhi reacted sharply to the recent interview by the U.S. Ambassador to India, Mr Harry Barnes, concerning India's objections to the granting of a visa to the self-styled "Khalistan" leader Jagjit Singh Chauhan. Mr Barnes had stated that the USA had not complained when demands for Puerto Rico's independence were raised on Indian soil.

"How can you possibly equate them?" Mrs Gandhi asked. The Khalistan issue and the liberation struggle in Puerto Rico were quite different, she asserted.

The base of the Khalistan movement was in the USA and "only there." There was no support for the movement in India. Even the Akalis had denounced it.

"All parties in India, including the Akali Dal, have made their opposition to the demand for Khalistan very clear. But the base of the movement itself is in the USA. It is not merely a question of Jagjit Singh Chauhan, its promoter being harboured or allowed to speak out his views on the subject, because of the freedom of expression in that country.

"I have my own views on how much freedom is permitted in the USA. I think it does not need comment. It is obvious that there are elements who do not want to blame any one person, group or a nation. But the main point is that there are outside forces that are not interested in India's political stability."

India could also say a lot about what was happening "in that part of the world," she said, meaning the U.S. interference in the affairs of many countries in Central America.

Mrs Gandhi was asked about "conciliatory offer" from the Jammu and Kashmir Chief Minister, Mr Farooq Abdullah, asking her to "forget and forgive" the bitterness of the June 5 election. All would depend on his behaviour in future, she said. So far, neither the language of the National Conference had changed, nor their action.

Violence was still erupting in the State and there was destruction of Congress (I) workers' property. Mrs Gandhi said: "You can't have both things--ask for Central help and behave like this."

When a reporter interrupted the Prime Minister to say that Mr Abdullah had accused the Press of exaggerating reports, Mrs Gandhi replied: "We have ourselves heard his statement." She added amid laughter this does not mean that the Press is always right. Mrs Gandhi pointed out that Mr Abdullah had changed his stance many times in the past in his dealings with her party.

"We do not want the National Conference to follow our policy or not to criticize us. But they cannot behave and talk as they are doing now and expect us to help them on a personal level."

Mrs Gandhi said that during her visit abroad, she had seen how Opposition parties were controlling some State Governments. But their attitude towards their Federal Government was far from hostile. She said nowhere in the world had she seen such an anti-Centre feeling as had been sought to be built up by the National Conference during the last elections in Jammu and Kashmir.

Desai Issue

Was it true that Mr Morarji Dessai was a paid agent of the Central Intelligence Agency when he was in her Cabinet, she was asked.

She replied: "I do not think it is a fair question to me because obviously, I would be the last person to know about such a thing...I hope it is not true," she hastened to add.

Asked if the Government was going to take up the matter with the USA, Mrs Gandhi referred to newspaper reports that Mr Desai himself had filed a suit.

On newspaper reports that Mr L.K. Jha, as Ambassador to the USA, had leaked out to an American author a code message, Mrs Gandhi said: "I doubt if Mr Jha had anything to do with it." (Her remarks pertained to reports that the former U.S. Secretary of State, Mr Henry Kissinger, had handed a message to Mr Jha that the USA would not be able to help India if China intervened in the 1971 Indo-Pakistan War).

CSO: 4600/1354

GANDHI, NORWEGIAN PREMIER MEET PRESS IN OSLO

New Delhi PATRIOT in English 16 Jun 83 pp 1, 5

[Text]

OSLO, June 15 (PTI, UNI) — India and Norway today differed on the assessment of Afghan situation but hit common ground on other subjects including the need for greater North-South co-operation.

Addressing a joint press conference after a 90-minute wide-ranging talks with her Norwegian counterpart Kaare Willoch, Prime Minister Indira Gandhi declared, "Obviously we do not agree on everything".

A correspondent asked both the Prime Ministers on the Afghan situation. While Mrs Gandhi did not see the presence of Soviet troops as invasion, Mr Willoch, whose country is a NATO member, said, "we very much object to the Soviet presence. This is a kind of invasion".

There was a similarity of views on relations between their neighbours, Kampuchea and Vietnam, West Asia and the stalemate in North-South dialogue.

Norway assured India that it fully supported the demand for an early agreement to disarmament—within the framework suggested by NATO. Mr Willoch also informed that there were no nuclear weapons deployed on Norwegian territory.

NO POLITICAL KILLINGS

Replying to questions on domestic issues, Mrs Gandhi stoutly denied that any large-scale 'political killings' had taken place in India in the name of encounters as alleged by Amnesty International.

She said there was no truth in the allegation that as many as 6,000 people had been killed.

Of course, there had been

some 'encounters' but those involved were dacoits who used to terrorise the people to prevent anybody from giving evidence as witness.

Mrs Gandhi faced in Norway protest demonstrations by some people against what they called 'political killings' in India.

Mrs Gandhi repudiated the allegation that there was any brutal war against Nagas or Mizos and said elections were held in these two north-eastern States and Governments were formed one by her party and the other by the Opposition.

But the recent killings in Assam, Mrs Gandhi said were indeed tragic. The incidents did not involve minorities alone but other groups as well. She charged some of the Opposition parties with encouraging the Assam agitators without realising the consequences.

On Punjab, Mrs Gandhi said there was question of any infiltration but it was basically a political agitation. She said there were lot of talks about foreign interference. And even the leader of a right-wing party (BJP) in India was reported in the press as having indicated as such.

Asked about the recent controversy over attempts by some non-resident Indians to take over prestigious Indian companies, Mrs Gandhi said India had invited the non-resident Indians to invest their money in the country in view of the urgent need for sophisticated industries. There was, however a ceiling prescribed for them.

RAJYA SABHA MEMBER REPORTS ON VISIT TO PRC

Calcutta THE SUNDAY STATESMAN in English 19 Jun 83 p 14

[Text] New Delhi, June 18--The Chinese Foreign Minister, Mr Wu Xuequian, has suggested that there be "more and more friendship moves" between India and China as a prelude to a solution of the outstanding issues between the two countries.

Mr Wu told Mr Shyam Sunder Mohapatra, member of the Rajya Sabha, and former AICC (IC) general secretary who was on a fortnight's visit to that country, that he appreciated highly India's peace moves.

Mr Mohapatra told a Press conference today after his return from Beijing that Mr Wu, in course of a 90-minute talks with him on international affairs, had supported North-South and South-South dialogue and pleaded for more and more economic collaboration with India.

In a reference to China's modernization and the new economic programme, Mr Wu said "the 10 years of turmoil under the Gang of Four" had put China in reverse gear and economic development had slackened. But now in China individual enterprise was patronized and it was now "each according to his work."

Bonus and incentive had been introduced and there were farmers who earn a better living than that of Ministers or technocrats. Each had his own plot of land to construct a house and a small plot to cultivate in spare time. China wanted to pursue the modernization programme on all economic fronts which meant a big push in constructing and developing economy.

There was a tremendous urge to develop good relations with India and other neighbouring countries and doing away with the politics of confrontation. Mr Wu, therefore, appreciated India's peace move.

Mr Mohapatra said he had apprised the Chinese Foreign Minister of the rapid economic development that was taking place in India under the leadership of Mrs Gandhi. He spoke of India's role in anti-colonial movement, its policy against apartheid and Zionism and of how India and China could play a determined role against imperialism and hegemonism. India had a stable Government under Mrs Gandhi and was capable of pursuing a long-term national and international policy.

Mr Mohapatra said during his visit to China he had met the Chinese Prime Minister, Mr Zhao Ziyang. He met the widow of Dr Kotnis who expressed her desire to come to India.

CSO: 4600/1351

ANALYST SCORES CPI LEADER'S ARTICLE ON GANDHI

Bombay THE TIMES OF INDIA in English 22 Jun 83 p 8

[Article by Girilal Jain]

[Text]

SO Mrs. Gandhi has turned out to be a Hindu communalist. What doubt can there be when not only the self-appointed guardians of Islam such as Col. Gaddafi but also one of the arch-priests of secularism, the secretary-general of the Communist Party of India, Mr. C. Rajeswara Rao, says so?

Mr. Rao's credentials are, of course, above board. Since the 'forties when the CPI endorsed the Muslim League's "nationalist" demand for the partition of this country, neither he nor anyone of his colleagues has ever had anything to do with any sectarian (communal, caste or regional) organisation or platform. Indeed, in the 'fifties they spelled out even a more thorough going programme of nation-building when they said that India comprised many nationalities which have the right, in fact the obligation, to assert their separate linguistic-cultural identities. They then also denounced the proposal to make Hindi the medium of inter-state communication as Hindi imperialism.

Mr. Rajeswara Rao first delivered his judgment on Mrs. Gandhi in a signed article in the CPI's official mouthpiece, *New Age* dated June 19 and then repeated it at a press conference in Bhubaneswar on June 19.

As is to be expected from so uncompromised and uncompromising a nationalist, Mr. Rao's evidence is at once incontrovertible and overwhelming. Mrs. Gandhi has "no compunction to join with (sic) the BJP-RSS to fight and defeat the left democratic front as evidenced in the last election in Kerala." "In Bhaderwah constituency of (sic) the Jammu region, the Congress (I) set up a local Vishwa Hindu Parishad leader, Hari Lal Hiteshi as its candidate".

"In the Valley, the Congress (I) came to a secret understanding with the Jamaat-e-Islami, a pro-Pak and rabidly communal party (which openly challenges Kashmir's accession to India — . . ."

Lest an ordinary reader not well versed in the intricacies of Indian politics be confused, it may be recalled that the CPI and its "progressive" allies told us a long time ago that the RSS and the Jamaat had come together under the auspices of the CIA. Of course, when they first took us into confidence in this regard, the theory was that this alliance was intended to destabilise Mrs. Gandhi's regime.

Using Hindu Sentiment

Mr. Rao will deny that he has charged Mrs. Gandhi with being a Hindu communalist. Indeed, he can quote a paragraph from the article which says: "This is not to suggest that Indira Gandhi is becoming a Hindu communalist, but that she is now skilfully using Hindu communal sentiments for preserving her own power. She is beating the BJP-RSS in (sic) its own game."

This is no more than an attempt on his part to allow himself an exit. It can deceive no one. For one thing, Mr. Rao would have no reason to quarrel with Mrs. Gandhi if she was doing so more than using "Hindu communal sentiments" for keeping herself in power and in the process keeping the BJP and its potential allies as the casteist Lok Dal out of it. After all, even the great Stalin used the nationalist and religious sentiments of the great Russian people to fight the Nazis without in the final analysis surrendering to them. For another, Mr. Rao's true intentions become clear as he proceeds further to elaborate his theme.

"Indira Gandhi allows some of

her ministers and legislators to attend functions of the Vishwa Hindu Parishad, a broad platform floated by the RSS leadership . . . of late, Prime Minister Indira Gandhi has been found to be hesitating to take strong action against communal elements fanning communal riots. The case of the recent Meerut riots . . . is a case (sic) in point . . . she has had harsh words to say in reply to a letter from the famous INA hero and patriot, General Shah Nawaz, . . . who had brought the depredations of the PAC and the RSS against Muslims to her notice . . . she has also said that no minority can survive if their neighbours of the majority are irritated."

As if this was not enough to demonstrate that in Mr. Rao's view, Mrs. Gandhi is a Hindu communalist — she even visits temples and seeks the blessings of Sankaracharyas — he adds: "It will not be wide of the mark to suspect that her attitude in (sic) keeping the Punjab dispute hanging was in a way connected with the Jammu and Kashmir election where she was angling for Hindu votes". So Mrs. Gandhi is not only a communalist but a reckless one. She is willing to place at risk the future of Punjab for the sake of so limited an advantage as winning Hindu votes in the Jammu region.

This is so much hogwash. Whatever her failings, Mrs. Gandhi is neither communal nor parochial. In fact, her great strength is that she can identify herself with the aspirations of all sections of the Indian people. Yet the charge merits attention for it shows how far the CPI and its allies are prepared to go in their current campaign against Mrs. Gandhi and it provides an insight into their thinking.

Perverse Approach

The CPI, in order to survive, needs an alliance with the CPM which is locked in a bitter struggle with the Congress (I) in West Bengal, the only state where it is in power. As such the CPI leadership has to be critical of Mrs. Gandhi. Even so, it is somewhat of a mystery why Mr. Rajeswara Rao has gone so far as to accuse her of being a Hindu communalist. It is not easy to find out what he hopes to achieve.

Perhaps there is a purpose in all this which we are not able to discover. But purpose or no purpose, the article speaks of a perverse way of looking at Indian politics. This approach is not peculiar to Indian communists, though it is much more deeply embedded in their mental make-up than those of others. It affects the thinking of many other shallow secularists.

The story began a long time ago. Gandhiji was a Hindu communalist because he spoke a language which sprang out of an ancient ethos which the British had deliberately equated with the Hindu ethos. The Congress was less than a fully nationalist movement because its leadership and membership were predominantly Hindu. Hindus were a community like every other community despite all evidence to the contrary. As such Muslim fears of being dominated in independent and democratic India were justified because they would be a minority, though an extremely powerful one, in it. By this peculiar logic the Muslim League's demand for partition became legitimate. And Mr. Nehru's party and government were secular only because they came to be critically dependent on the support of the Muslim minority, the scheduled castes and tribes.

Mr. Rajeswara Rao and his ilk suspect that this may change to the extent that Mrs. Gandhi and her party get a larger share of the caste Hindu vote in north India. So they are alarmed. They are not even willing to wait to bid out whether the shift in vote that we have witnessed in the Union territory of Delhi and the Jammu region is also likely in the truly Hindi-speaking states such as U.P. and Bihar where the deepest contradictions are not between Hindus and Muslims or Hindus and Sikhs but between different Hindu caste groupings. They must have a very poor opinion of Mrs. Gandhi if they believe that in her search for a little larger share of the caste Hindu vote, she will take steps which will weaken her popular base among Muslims, Harijans and tribals, or that she will not do all in her power to retain support in Andhra, Karnataka and, indeed, even Tamil Nadu.

Social Change

I have often taken the view that Hindus are not a community in a meaningful sense of the term.

This formulation apparently clashes with the fact that there are communal-minded Hindus in that they believe in the supremacy of Hindus and are prejudiced against Muslims. But the contradiction is superficial. Setting aside for the moment the fact that Hindus have so catholic a view of religion, god, reality and truth that they can easily concede equality to every other faith, Hindus are incapable of acting as one coherent body for any length of time.

Social change is aggravating this problem because the competition between groups and within groups is sharpening. Thus we are witnessing politicisation of caste and erosion of caste at the same time. In plain terms, on top of the problems of caste are being piled up the problems associated with the emergence of class distractions. The whole thing is an unholy mess. Only the simple-minded—Marxist ideologues are notoriously simple-minded and so are free enterprise wallahs—can believe that Mrs. Gandhi can seek to stay in power on the basis of an arithmetic which no one can possibly work out. If it was all so easy, the Jana Sangh would have made it a long time ago.

As it happens, this was perhaps the first newspaper to draw attention to the shift in the voting pattern in Delhi and the possibility of a similar shift in the Jammu region before the election. We were able to do so because we were sensitive to the possible impact of the Congress (I) defeat in the South and the Akali agitation on the minds of Hindu voters in these two places. But we cautioned against rushing to conclusions. For we have learnt from experience that India is too variegated a country to admit of sweeping generalisations.

As for Mrs. Gandhi, she is both the beneficiary and victim of the broader and deeper movements which are taking place in the country. It will be giving her too much credit to believe that she maps our strategy so well that she manages to stay on top whatever happens. She travels light (in borrowed ideological terms) and is, therefore, able to take advantage of developments. She may also equate her good with the nation's good. But most rulers do the same. She is not indifferent to the national interest which appeal to communalism of whatever variety cannot subserve.

INDIA

CPI LEADER BLAMES PUNJAB SITUATION ON CONGRESS-I

New Delhi PATRIOT in English 30 Jun 83 p 7

[Text] Communist Party of India general secretary C. Rajeswara Rao has said in a statement that there was no use simply blaming the Congress-I for the Punjab troubles as "the extremist elements are out to drown the State in bloodshed in order to prevent any peaceful settlement."

Mr Rao said, "Since these extremists are taking cover under the Akali agitation, the Dal leadership has to demarcate itself clearly and openly from them."

The CPI leader called upon all patriotic people to condemn these nefarious activities and to isolate these elements. Mr Rao also blamed the 'rabid communalists among the Hindus' for providing grist to the mill of the 'Khalistan' extremists.

The CPI leader said it was an open secret that the US imperialists were not only threatening the security and integrity of India, but also its unity by supporting 'Khalistan' elements.

Mr Rao demanded that US Ambassador Harry G. Barnes "be thrown out of the country" for his arrogant ravings of equating the anti-national 'Khalistan' elements with the freedom-fighters of Puerto Rico.

The CPI leader also urged the Central Government and the Akali leadership not to complicate the Punjab problem further by bringing in extraneous issues.

He expressed his surprise that Prime Minister Indira Gandhi instead of taking the help of all patriotic and secular democratic forces for the solution of the Punjab problems, had made it a point to attack the Opposition parties.

CSO: 4600/1377

SETHI ANNOUNCES PROPOSALS ON PUNJAB ISSUES

Bombay THE TIMES OF INDIA in English 23 Jun 83 pp 1, 9

[Text] New Delhi, June 22--The Union government is willing to refer the Ravibhas water dispute between Punjab and Haryana to a tribunal to be appointed under the Inter-state Water Disputes Act, 1956. The proposed tribunal can decide afresh the allocation between the two states.

The Union government wants that in the meantime, Punjab should take immediate steps to construct the Sutlej-Yamuna link canal.

The Union government today unilaterally announced its willingness to take suitable legal and administrative steps to implement these decisions expeditiously.

The Union government also announced its willingness to refer the entire issue of territorial claims, including the future of Chandigarh and Abohar and Fazilka to a tribunal for a decision.

These decisions were announced in a five-page statement issued by the Union home minister, Mr P.C. Sethi, late in the evening here today.

Earlier, the political affairs committee of the cabinet met and discussed the situation arising out of rejection of the offer for talks made by the Union government.

The issue was discussed at the cabinet meeting today. High-level consultations continued for the better part of the day. The statement released to the press was also approved at the highest level.

Mr Sethi reiterated that doors for negotiations were still open. "I hope the leadership of the Shiromani Akali Dal will reconsider their stand and come to the negotiating table to find a satisfactory solution for all pending issues for restoration of harmony, further development of Punjab and in the larger national interest.

The government's position regarding the river water and territorial disputes has been that any arrangements acceptable to Punjab and Haryana which will lead to a final settlement of the dispute will also be acceptable to the government of India.

This would involve discussions not only with the representatives of the Akali Dal but also with all concerned parties and the governments of the two states. The government of India have always been willing to arrange such discussions.

While expressing its readiness to hold discussions on the remaining issues, the government also expects the Akali Dal to give an undertaking that it will not permit the premises of the Golden Temple and other holy shrines to be utilised for storage of arms or for harbouring persons wanted by the law and order machinery.

The government has suggested to the Akali Dal that a five-member committee of Sikhs may be set up jointly by the state government and Akali Dal to screen the persons now living within the premises of the holy shrines in order to identify whether any of them are wanted by the law and order authorities or facing charges.

Religious Demands

The government has also asked the Akali Dal to take immediate appropriate steps for resolving their disputes and differences peacefully with the followers of Nirankari faith and such other groups so that permanent peace can be restored in Punjab. No one will be allowed to take the law into their own hands.

Mr Sethi's statement made it clear that decisions on religious demands of the Akali Dal have already been announced by the Prime Minister.

The demand for banning of tobacco, liquor and meat within the demarcated areas around Harmandir Sahib and the Durgiana Temple has already been accepted and steps have been taken for implementing this decision.

Similarly, orders have been issued allowing Sikhs to carry nine inch long 'kirpan,' the length of blade not exceeding six inches, while traveling on internal flight.

Unfortunately, some decisions could not be implemented because of lack of co-operation on the part of the Shiromani Akali Dal.

For example, there was a demand for relay of 'kirtan' from the Golden Temple through the Jullundur station of All-India Radio. The government agreed that 'kirtan' could be relayed for about one and a half hours in the morning and for half an hour in the evening.

This was earlier verbally accepted by the Akali delegation. Consequent upon the Prime Minister's announcement, the AIR authorities approached the SGPC and Amritsar to finalise the arrangements and start the relay. But later, the Akalis insisted that the duration of the relay should be two hours in the morning and one hour in the evening. The government has been willing to discuss the question of timing and duration but has suggested that a beginning may be made immediately with one-and-a-half hours in the morning from 5 a.m.

Similarly, as regards the demand for the formulation of All-India Gurdwara Act, the government has agreed to consider the suggestion subject to consultation with the state governments concerned, other parties and the SGPC. Since the proposed legislation is intended to bring all historical Gurdwaras situated in different parts of the country under the purview of one administration, it has wideranging implications.

It is necessary to consult all the concerned gurdwaras and state governments in this matter. But the Shiromani Akali Dal insisted that the bill should be framed in consultation with the SGPC and introduced in the last budget session.

It is obviously difficult to declare in advance that the bill would be introduced in any particular session of parliament without completing the process of consultations.

The Shiromani Akali Dal had demanded that a committee of legal experts should be appointed to examine the question of Centre state relations as embodied in the Anandpur Sahib resolution.

The government has already appointed a commission under the chairmanship of Justice Sarkaria to study Centre-state relations and it is open to the Shiromani Akali Dal and all other political parties to submit their views before the commission.

Two Issues

The two issues pending a final decision are those relating to the sharing of Ravi-Beas waters and the settlement of territorial disputes between Punjab and Haryana.

The government regrets that instead of responding positively to the suggestions made by the government, the Shiromani Akali Dal has chosen to end the negotiations and in turn, to accuse the government of lack of "seriousness" and "sacrificing the demands of justice and overall interests of the country."

Amritsar (UN): The Akali Dal president, Sant Harchand Longowal, said here tonight that he would comment on the Centre's offer tomorrow, after going through the details.

CSO: 4600/1361

PAKISTAN DISCREETLY WARNED ON PUNJAB SITUATION

New Delhi PATRIOT in English 17 Jun 83 p 1

[Text]

India has sent discreet warning signals to Pakistan against the support it is extending to Punjab terrorists.

In view of New Delhi's anxiety to improve relations with Islamabad, the Government of India has chosen not to raise this issue publicly. But evidence has been mounting that facilities have been provided in Pakistan for imparting training in arms, organisation, infiltration-tactics and other subversive activities to groups of terrorists, some of whom are believed to have infiltrated into the Akali sacrificial squads. Some others are operating independently. Some time back the Government received reports of the existence of such a training centre at Gujranwala, a district headquarters adjacent to Lahore.

According to reliable source, a highly placed Indian official mentioned the fact of the existence of this training camp to his Pakistani counterpart. The Pakistani official, holding a rank equivalent to the Secretary to the Central Government, quipped, 'you are also supporting the Bhuttos'. The Indian official pointed out that sympathy for the wife or the daughter of executed Pakistani leader Z A Bhutto or political

support in India for the democratic aspirations of the Pakistani people is not the same as providing training and arms for murder, violence and other terrorist activities.

The Pakistani official denied that the Zia Government wanted to support the Sikh terrorists, though his remarks left the impression that some section of Pakistan's intelligence setup could be engaged in these activities.

However, the Government let the matter rest when reports were received that the Gujranwala training centre had been disbanded. On 30 May, Pakistan's Chief Martial Law Administrator also gave a public assurance that his Government was not helping Punjab agitation. But recent reports indicate that new centres have been set up for the same purpose. Arms and ammunition are being provided to these terrorists in addition to training facilities. The terrorist gangs, claiming to be votaries of the Khalistan movement, are smuggling arms — automatic rifles, carbines and other equipment, including gun powder.

The discreet signals now sent by India should convince the Pakistani authorities that New Delhi is taking this matter seriously. Arming and training the terrorists is dangerous game. Pakistan's

border with this country in the Sindh-Rajasthan sector is twice that in the Punjab sector. A large number of Pakistani nationals, who came as refugees are presently in Barmer district of Rajasthan. For several years, the Government of India has been bearing the burden of these refugees who are living in camps. The government has taken strict measures to ensure that they do not engage in activities against the Pakistan Government from Indian soil. This is because of India's scrupulous adherence to the principle of non-interference in Pakistan's internal affairs notwithstanding Islamabad's hostile anti-India campaign in international forums and reports of clandestine support to armed terrorists and facilities given to them to plan sabotage and violence in Punjab from the sanctuaries provided in Pakistan, across the border in the Amritsar sector.

New Delhi hopes that these facilities and training camps will be disbanded and the Pakistan Government will ensure that the supply of arms and ammunition is discontinued. Intelligence authorities are keeping a close watch on the situation. Should these sinister activities continue, the Government may be forced to take other appropriate measures to deal effectively with this mischief.

GANDHI 24 JUN SPEECH TO DELHI WOMEN'S MEETING REPORTED

Madras THE HINDU in English 25 Jun 83 p 7

[Text]

NEW DELHI, June 24.

The Prime Minister, Mrs. Indira Gandhi, today deprecated the Akali leaders' decision to spurn the Centre's invitation for talks on their two outstanding demands—river water and boundary issue—and wondered if accumulating arms at places of religious worship was justified.

Addressing women led by Mrs. Aruna Asaf Ali, she said the Centre had listened to the views of all concerned on the Punjab tangle and was keen that the issues be sorted out amicably in the interest of the State.

The Centre was prepared to concede slightly more even if it was not justified but if "they (Akalis) are not prepared to listen to us, what can we do?" the Prime Minister asked.

Call to end violence: Mrs. Asaf Ali, who is the president of the Rashtriya Ekta Andolan, presented to the Prime Minister signatures of one lakh women, calling for an end to violence in Punjab.

Mrs. Gandhi also criticised the role of the Opposition parties in the Akali agitation and said that on the one hand they proclaim solidarity with the Akalis and on the other "come to me and say why cannot you be firm with the agitationists".

Talking about collection of arms in places of religious worship, the Prime Minister said she wondered how far it was justified to have arms in mandirs, masjids, gurdwaras or churches. What right do the people have to accumulate arms in this fashion, she asked and said she would put this question to the Opposition parties also.

"No individual, group or party has a right to collect arms in religious places", she said.

Mrs. Gandhi said nobody had a right to take law into his hands whatever be the magnitude of enmity or to kill innocent people.

It was not in her hands to transfer land from one State to another. It was not her personal property. If each State began asking land belonging to the other, there would be no end to trouble, she pointed out.

Discordant voices: The Prime Minister said discordant voices were raised in Assam and Punjab but there was a similarity in their pattern.

Mrs. Gandhi said she could claim with confidence that in no country, as in India, did the Government talk to the agitationists in the face of such stringent opposition. Issues and demands were always raised—before and after independence—but never before was such a vicious atmosphere of violence built and communalism whipped up.

Sarkaria panel: Mrs. Gandhi also spoke to a group of Sikhs led by Mr. Rachpal Singh, president, Siromani Gurudwara Prapandhak Committee (P). She told them that the Sarkaria Commission had been appointed to rectify lacunae, if any, in Centre-State relations. But the Commission had to function within certain limitations and see that the country was not weakened, Mrs. Gandhi added.

The religious demands of the Akali Dal had been conceded and the Government was also willing to refer the river waters dispute and territorial matters to tribunals.

Mr. Rachpal Singh welcomed the announcement on the setting up of tribunals and hoped the other demands would be looked into. He feared that unless some immediate steps were taken to solve the pending problems in Punjab, the situation might deteriorate.

OPPOSITION COMMENTS ON GANDHI PUNJAB POLICY

Calcutta THE STATESMAN in English 21 Jun 83 pp 1, 9

[Text] New Delhi, June 20--The CPI, Lok Dal, Democratic Socialist Party and the Akali Dal today accused the Prime Minister of creating an "explosive" situation in Punjab, report PTI and UNI. They denied Mrs Gandhi's allegation that the Opposition parties had been silent on the violence in Punjab.

The strongest statement came from the DSP leader, Mr H.N. Bahuguna, who accused Mrs Gandhi of launching a "tirade" against the Opposition only to divert public attention from her "empty handed" return from Europe. He also cited the statements of various Opposition parties condemning extremist activity and violence in Punjab.

The CPI general secretary Mr Rajeswara Rao, pointed out that the Left and secular parties had been condemning communal and extremist forces in unequivocal terms and urged the Prime Minister to give up her "negative postures" even at this late hour.

Mr Rao asked the Akali leadership to come out in a forthright manner against the criminal activities of extremist elements who, he said, should not be allowed to take cover under the Akali agitation.

"There is no use simply blaming the Congress (I) for having propped up Sant Bhindranwale and the Dal Khalsa against the Akali Party in the past..."

The Lok Dal president, Mr Charan Singh, said that the Punjab situation was the Prime Minister's creation to win Hindu and Liberal Sikh votes in the coming parliamentary elections, as she had done in the recent Kashmir Assembly elections.

In Amritsar, the Akali Dal president, Sant Harchand Singh Longowal strongly refuted Mrs Gandhi's charge that his party was involved in violence.

"The Akali Dal has nothing to do with the acts of violence in the State, and its volunteers while participating in the agitation have always remained peaceful and non-violent," Sant Longowal said in a statement here.

He reiterated his demand for an inquiry by a Supreme Court Judge into all acts of violence in Punjab during the Akali agitation to ascertain the truth. The Akali Dal chief alleged that the State Government and the in-fighting within the ruling party were behind all these incidents.

Reacting sharply to Mrs Gandhi's statement at Delhi airport yesterday on her arrival from abroad, Sant Longowal said that the Prime Minister's statement was in view of the tremendous response "to the Akali agitation from the people. Her statement was full of baseless and unfounded allegations and seeme to have been made in haste," Sant Longowal said.

He said that Mrs Gandhi was making such insinuations against the Akali Dal to cover up her failures and to make political capital of the Punjab situation.

The Punjab BJP president, Mr Baldev Prakash, today threatened that "people's armed resistance against extremists and hoodlums will have to be organized in the State for the protection of non-Sikh Punjabis."

The BJP leader said it was futile to expect either from the Akalis or from the State Government that they would protect the non-Sikh Punjabis.

A faction of the Akali Dal (Master Tara Singh group) led by Mr R.H.S. Frontier today announced its unconditional merger with the Shiromani Akali Dal, Amritsar.

The announcement was made by Giani Bhajan Singh, general secretary of this faction of Akali Dal at a Press conference in the presence of Sant Longowal at Teja Singh Samundrari hall in the Golden Temple complex here. Sant Longowal welcomed the merger.

The Shiromani Gurdwara Prabandhak Committee today denied reports circulated by a news agency (not PTI) that Ranjit Singh, the Prime accused in the case relating to the murder of the Nirankari chief Baba Gurbachan Singh, has been camping in the Gury Nanak Niwas in the Golden Temple complex.

Mr T. Aliba Imti, M.P., president of the Naga National Democratic Party and adviser of hills regional parties of the North-eastern region, today appealed to Sant Longowal to adopt an attitude of reconciliation and try to solve all problems amicably across the table.

In a letter to the Sant, Mr Imti said: "It will be wrong on the part of the regional community leaders if their very action weakens the unity of India."

CSO: 4600/1357

INDIA

CPI LEADER'S 19 JUN PRESS CONFERENCE REPORTED

New Delhi PATRIOT in English 20 Jun 83 p 4

[Text] Bhubaneswar, June 19 (UNI)--Communist Party of India (CPI) general secretary C. Rajeswara Rao today described as "dangerous" Mrs Indira Gandhi's new electoral strategy of keeping on the right side of the majority community to keep herself in power.

We want to warn her that she is playing a dangerous game, Mr Rao told a press conference, adding that she was also coming to an understanding with the regional parties in power.

He said the tactics adopted by the Congress-I in the recent Delhi and Kashmir elections indicated that the party wanted to reorient the strategy that it was going to adopt in the coming parliamentary elections, he added.

Expressing his satisfaction that the Akali Dal's "rail roko" agitation had passed off peacefully, Mr Rao alleged that Mrs Gandhi kept the Punjab issue hanging in order to take political advantage in the Kashmir elections.

He said since most of the Sikhs' religious demands had been met, a consensus reached on the river waters dispute and the Sarkaria Commission had been set up to sort out the Centre State relations. The only pending dispute of Punjab-Haryana borders should be immediately resolved, he added.

Mr Rao said the Opposition parties had decided to meet in Delhi on 30 June to discuss the Punjab problem and place their proposals on it before the Government.

Mr Rao also expressed concern at the danger posed to India's arming of Pakistan by the United States, concentration of its naval forces in the Indian Ocean, its refusal to halt the nuclear arms race and its "support to the secessionist and chauvinistic forces inside our country."

The CPI leader extended his support to the proposed Orissa bandh called by the Opposition parties, including the BJP, and the national campaign committee of the central trade unions, in the first week of July demanding relief to the people "dying of starvation," distribution of rice at Rs two per kg and reopening of closed mines and factories in the State.

CSO: 4600/1355

RAO 20 JUN SPEECH AT ALPBACH CONFERENCE REPORTED

New Delhi PATRIOT in English 21 Jun 83 p 7

[Text] Alpbach, (Austria) June 20 (PTI)--External Affairs Minister P.V. Narasimha Rao today spoke of a continuing link between India and Western Europe down the ages despite geographical, linguistic and racial barriers.

History abounds in evidence to the effect that India's consciousness has never been isolated from the Western continent, Mr Rao said, addressing the Western Europe-India dialogue congress being held here. The subject of his talk was "India's cultural influence on Western Europe since the age of romanticism."

Mr Rao spoke at length on the influence of Indian thought and culture and said 'enormous strides' in comprehension had taken place between India and the West on a multi-faceted scale. Even in the period of renaissance, India was a kind of dreamland for Europeans and it was then beyond them to realise that their cultural heritage had to be traced to the Indian civilisation. In their enthusiasm to discover their Greek heritage, the Europeans forgot that even in those days their target was to discover India. Even the voyage of Columbus and Vasco Da Gama were evidently for the discovery of India and there was no doubt that they would not have been undertaken had the Europeans not been influenced by India.

The links between India and the Roman Empire were not just confined to trade in Indian muslin and spices. Moors and Arabian traders had also carried mathematics and philosophic thought of India to Arab countries and through them to Spain and Western Europe.

Some of the Upanishads had already been translated in those days as evident from the writings of great philosophers like Spinoza, Mr Rao said.

That the cultural heritage of European civilisation was to be traced to India was, of course, hard to swallow for an occidental common man whose nations had subjugated India and made it a colony, he added. Although he realised that once upon a time India was a very prosperous country he could not accept that India had also developed in the spheres of art, literature, mathematics, grammar, medicine, surgery and similar matters. It was not easy to accept that the culture of the imperial power was to be traced to that of the

colonies. That perhaps explains why before the truth was finally realised, European authors began to put almost every achievement of India civilisation as later than that of the Greek, Mr Rao told the Congress.

The External Affairs Minister said the realisation that Sanskrit and other European languages came from the same stock made people realise that there must have been communication between India and Europe long before Alexander's conquest of Persia or the Persian invasion of Greece. It brought to bear some fresh thinking on history.

The translation of Shakuntalam by Sir William Jones made Goethe realise the greatness of Kalidasa. But it also resulted in train loads of Sanskrit manuscripts being carried away to Europe from north India, south India and Nepal. They were today preserved in Berlin, Vienna, Paris, Bonn and London, Mr Rao reminded the gathering. Even the rare works of Bhartrihari and Abhinava Gupta were not found in India but had to be read in the libraries of Europe.

What is important is to know that the Europeans learnt more than the Indians did from this renaissance, he said, adding it produced several European scholars like Jacobi, Weber, Max Muller and several others.

"The only pity," Mr Rao said, "is that the Indian tradition of learning no more exists in its original form today. What Indian scholars know today is more or less the European version of Indian thought and Christian version of Indian philosophy. There was, however, no doubt that the study of Sanskrit made people rethink of India and take to the study of ayurveda, philosophy, logic and religion. Even the study of mathematics of Indian origin was undertaken. The Samkhya and Advaita systems now termed as systems of philosophy provided the necessary scientific nucleus to Indian scientists and through them to the westerners.

According to Mr Rao, the claim that the English romantic movement starting from Wordsworth made nature a live entity could be traced back to Kalidasa. The thoughts and images of Sanskrit poets, he said, must have been carried during the last part of the eighteenth century indirectly to UK and influenced to great poetic geniuses of England and Europe in different ways.

CSO: 4600/1358

LOK DAL LEADER'S 20 JUN PRESS CONFERENCE REPORTED

Calcutta THE STATESMAN in English 21 Jun 83 p 14

[Text] New Delhi, June 20--The Lok Dal president, Mr Charan Singh, suggested here today that the Government ask for the withdrawal of the U.S. Ambassador, Mr Harry Barnes, for his equating the Khalistan movement with Puerto Rico's demand for independence.

Addressing a Press conference here, Mr Charan Singh felt the USA was behind the Khalistan movement. He had mentioned that to Mrs Gandhi as far back as in October last year.

In a statement distributed at the Press conference, he rebutted her implied charge yesterday that the Opposition, while in power, had done nothing to solve the issues involved in the Punjab agitation. He said: "Obviously she has the Janata Government in mind. As one of its members, I would like to categorically tell her that there was no crisis in Punjab during the Janata regime." There was no talk of violence in Punjab then.

"In truth," he said, "the Punjab problem is the creation of our Prime Minister herself so that in the approaching parliamentary elections, as in the case of Kashmir, the Hindus of Punjab as a community and also liberal-minded Sikhs all over the country, might cast their votes in favour of the Congress (I) which alone could save them from disaster."

At his Press conference, he was asked if his party would be attending the meeting of Opposition leaders proposed to be called on June 30 by the DSP leader, Mr H.N. Bahuguna, Mr Charan Singh replied: "What is the good of joining it? What will come out of it?" Pressed to spell that out, he added that his party would not attend the meeting.

Would Mr Jaglivan Ram's attending that meeting affect the present unity talks between the Lok Dal and the Congress (J)? "It will not," he said.

UNI adds: When his attention was drawn to the fact that the Opposition meeting might discuss among other things the question of pooling anti-Congress (I) votes all over the country, Mr Singh said: "The ball in this regard had already been set rolling," and efforts were continuing. The Lok Dal chief was hopeful that mobilization of anti-Congress (I) votes would be possible before the next parliamentary elections.

Mr Charan Singh said that as the part of the Opposition unity efforts, the Bharatiya Janata Party president, Mr A.B. Vajpayee had discussions with him recently. Asked about the outcome of their talks, he said it was not correct to say anything till the matter took a final shape.

Commenting on the way the Election Commission's instructions were flouted in Jammu and Kashmir election, Mr Charan Singh said it had been a case of "failure" of the system. Laws were there and corruption also existed side by side. It was the question of persons who run the system, he said. The Lok Dal Chief said: "We are unfit for the parliamentary system."

About his attitude towards the CPI (M), now ruling in West Bengal and Tripura, Mr Charan Singh said: "I cannot agree with them. They don't believe in democracy." When his attention was drawn to the CPI (M)'s recent panchayat election victories in rural Bengal, Mr Singh said: "They are taking benefit where earlier the Congress regime could not do anything." As feudalism was still there in Bengal, the kisans would never turn to the Communists for leadership, he said.

CSO: 4600/1357

REPORTAGE ON AID INDIA CONSORTIUM MEETING

Efforts Praised, Aid Reduced

Bombay THE TIMES OF INDIA in English 16 Jun 83 p 1

[Article by K.N. Malik]

[Text] The Aid India Consortium which concluded its two-day meeting here today unanimously endorsed India's strategy of adjustment with growth and and social justice but pledged a reduced level of aid for next year.

It pledged aid totalling SDR 3.3 billion (\$3.6 billion), which actually means a reduction of five to six percent in real terms since it has not taken into account inflation.

The unanimous praise for India's economic management, increasing efficiency through a more rational and more open trade regime and for having maintained fiscal and monetary stability and contained inflationary pressures to protect the lower income groups through appropriate demand management policies, was soothing for the ears of the Indian delegation. It, however, did not satisfy India's demand for increased or even last year's level of support at 73.7 billion.

Though the leader of the Indian delegation, Mr N. Narasimham, said the Consortium unanimously endorsed India's need for increased flows of aid at concessional rates, the World Bank gave no firm indication that such aid would be maintained even at the last year's level. In fact, there were indications that the soft aid quantum in the World Bank package would go down. This was because of the continuing recessionary trends in the developed countries which are plagued by budgetary problems.

Nevertheless, the Indian delegation was content with the Consortium's unanimous appreciation for the country's prudent and correct economic management and healthy performance in core sectors such as power, coal, oil and transport. The Consortium also appreciated India's performance in the agricultural sector despite severe droughts.

It, however, noted that India's growth prospects and adjustment effort continued to face severe challenges. The country's low income meant that despite high domestic savings rates and substantial resources mobilisation efforts, the opportunities for productive investments in sectors essential for its growth and adjustment still exceeded the available resources.

Maintaining the pace of investment in key sectors has been most difficult, but India's adjustment strategy substantially increased the economy's access to imports, promising long-term efficiency gains but placing short-term pressures on the balance of payments, the Consortium noted. It felt India's exports needed to be boosted and appreciated the steps already being taken in this direction.

Soft Aid

The Consortium meeting failed to placate India's apprehensions in regard to soft aid. Already there is uncertainty on the commitment by various donor countries on such aid. In fact, some countries, the U.S. for instance, continue to hedge on the question of fulfilling their commitment, but Mr Narasimham said the U.S. did not voice any misgivings either on India's performance or the need to cut down the quantum of soft aid. Some others, such as Japan and the U.K., indicated their desire to increase the level of aid to India but they did not say by how much.

The Prime Minister, Mrs. Gandhi's statement at the UNCTAD-VI criticising the developed countries for doing little for the developing ones was considered counter-productive by some countries. A delegate remarked that the timing of the statement was unfortunate.

Most delegates, however, felt that India's veiled threat to abandon the liberal trade regime unless there was continued flow of aid on soft terms was not taken seriously by the donor countries which thought India would not abandon the restructuring of its adjustment strategy simply because the quantum of soft aid declined. India had realised the benefits accruing to it through the revamped economic strategy. Moreover, India was not in a better position to maintain its growth and creditworthiness.

The repayment of IMF loans or other commercial borrowings, it was felt, would not present unsurmountable problems in spite of the Western nations' attitude of squeezing the maximum concessions from the third world without giving the latter much concrete help for restructuring their economies to enable them to come out of the league of the poorest.

The countries interested in assisting India, which met under the chairmanship of the World Bank included Austria, Belgium, Canada, Denmark, France, Germany, Italy, Japan, the Netherlands, Norway, Sweden, Britain and the U.S. Representatives of the Asian Development Bank, the Commission of European Communities, the Development Assistance Committee of the OECD, the International Fund for Agricultural Development, the IMF, the UNDP and the government of Switzerland, also attended.

Narasimham Meets Press

Bombay THE TIMES OF INDIA in English 18 Jun 83 p 9

[Text]

NEW DELHI, June 17.

SINCE one member of the Aid India Consortium at this week's Paris meeting has indicated a desire to increase its quantum of assistance, India hopes the total pledges will be equal to those of last year.

In terms of SDRs (special drawing rights), this year's pledges total 3.37 billion as against last year's 3.36 billion. However, in dollar terms the figures are 3.6 billion this year and 3.7 billion last year.

This shortfall of \$100 million can be met if the unnamed Consortium member enhances its assistance to India.

Mr. M. Narasimham, secretary in the department of economic affairs, told newsmen here on his return from Paris that the World Bank group had pledged \$2.2 billion—about the same as last year.

Although no break-up of this assistance was given at Paris in view of the uncertainties about IDA funds, Mr.

Narasimham felt that 50 per cent of it would come from the World Bank and the remaining 50 per cent from the concessional funds of the IDA.

BANK CONSTRAINTS

This expectation can be upset if the U.S. Congress refuses to approve the Reagan administration's proposal for committing \$245 million to the IDA.

All Consortium members, with the exception of the U.S., recognised the need for India to get concessional assistance. The U.S. took the view that India could perhaps make better use of commercial borrowings at this stage of its economic development.

Mr. Narasimham said the World Bank in its assessment "fully appreciated" India's economic performance. The chairman of the meeting used the words "prudent", "correct" and "wise" in describing the management of the Indian economy.

However, it was pointed out that the World Bank itself suffered from severe constraints in view of the uncertainty about IDA funds.

Mr. Narasimham said that all World

Bank aid was project-related and untied. But the trend among bilateral donors was in favour of tied aid—tied to projects and country.

West German aid was a combination of tied and untied aid. The U.K. gave assistance in the form of grants but it was "country-tied".

At the Paris meeting, Mr. Narasimham referred to the exceptionally difficult circumstances faced by India in 1982-83, more particularly the severe drought for the second time in four years, leading to a fall in food-grain production of seven million tonnes. The drought had also contributed to difficulties in hydro-electricity generation and a weakening of demand for industry, leading to a deceleration in industrial growth.

The downturn in agricultural and industrial deceleration had meant a fall in the rate of growth of GDP to about two per cent in 1982-83. In spite of these difficult circumstances, the economic performance during the year showed clear signs of strength in important areas.

Mr. Narasimham said that the members of the Consortium agreed with his assessment.

Adverse Effect of Cuts

Bombay THE TIMES OF INDIA in English 17 Jun 83 p 8

[Editorial]

India has reason to be unhappy with the outcome of this year's meeting of the Aid India Consortium in Paris. Last year, the consortium had increased the total aid amount over the previous year's in real terms by five per cent. This year the size of the package has declined to \$ 3.6 billion from last year's \$ 3.7 billion. In real terms this could mean a reduction of five or six per cent. Curiously, this has happened even though the World Bank has given a good certificate to India for its overall economic management. When good performance should have earned the encouraging response of more aid on easy terms, some donor countries appear to have argued that India could now do with less aid on less favourable terms. It had become evident last year that India's case for continued concessional aid had weakened in the eyes of a number of powerful donors who wanted a diversion of soft funds to other countries, notably China. Till last year 80 per cent of the group's aid package carried no interest or nominal interest, while 20 per cent carried an interest of 11 per cent and above. The 1982 consortium meeting changed the composition sharply to about

half and half. This straightaway meant an additional outflow of funds, perhaps over \$ 100 million, by way of interest payments. This year this trend has been confirmed. The proportion of concessional aid would probably decline further, particularly India's share of IDA credit.

The cutback in concessional aid cannot but adversely affect developmental efforts which are necessary to lift India out of the group of the world's 16 poorest nations. Mr. N. Narasimhan, the leader of the Indian delegation, has already warned that India might have to give up its liberal trade regime if aid in right mix is not available. This policy has not been an unmixed blessing. Certain Indian industries have suffered because the liberal import policy has enabled some industrialised countries, facing recession at home to resort to dumping. But broadly speaking, the policy has helped stimulate the economy. And this has been accompanied by reduction in licensing controls. Thus if the liberal import policy has to be jettisoned for want of resources, we may also witness a return to the earlier more restrictive approach. This will be an unhappy development. But there is a lot New Delhi can do on its own for which it does not need external assistance. For instance, it can wage war on smuggling which, according to knowledgeable sources, has come to almost equal official trade. It can similarly reduce project cost overruns and wastage of funds.

CSO: 4600/1343

GANDHI 17 JUN PRESS CONFERENCE IN VIENNA REPORTED

New Delhi PATRIOT in English 18 Jun 83 pp 1, 7

[Text]

VIENNA, June 17 (UNI, PTI).

Prime Minister Indira Gandhi said here today that there was no 'threat of any balkanization' of India because of the agitations in different parts of the country.

"We are stable, strong and united", she assured international journalists at a press conference here.

Even the regional parties which had come to power in some of the States had made it clear that they were for a united India, she said.

The Prime Minister reacted sharply to a correspondent terming the agitation in Punjab as 'Sikhs' agitation. It was not a Sikh's agitation, but an agitation launched by a particular political party — Akali Dal — after losing the elections to her party, she said.

All the report about separation from the country were 'highly exaggerated', Mrs Gandhi said. The 'Khalistan' demand had no supporters within the country and even the Akali Dal had dissociated itself from it

The agitation was purely a political movement. The religious demands of the Akalis have already been met, she added.

SAME FOREIGN POLICY

Mrs Gandhi vehemently denied that there was any change in India's foreign policy in the wake of its improving relations with the United States.

A correspondent had asked her whether because of its better relationship with the US now India would give up its dependence on the Soviet Union for its military supplies.

Mrs Gandhi said India was never dependent on any country for its army. 'We are not at all dependent on the Soviet Union for arms or anything else. We buy what we need from those countries which are willing to give us what we want and according to what we can afford. India had diversified its arms purchases.'

The Prime Minister also refuted the charge that several non aligned nations were dependent on the eastern bloc. In fact, it

was the Soviet Union which was siding with all newly emerged nations.

Asked whether the Non-Aligned Movement and neutral countries could do anything to solve the Afghanistan problem, Mrs Gandhi said, 'I don't think.' The Afghan Government had promised that the moment rebels stopped their activities, Soviet troops would be asked to withdraw.

On Kampuchea, when a correspondent spoke about Vietnam being a threat, Mrs Gandhi snapped: 'Vietnam is no threat to anybody. We have to see who is threatening their independence,' Mrs Gandhi said.

Replying to another question, Mrs Gandhi said she had apprised the Austrian leaders of her discussion with PLO leader Yasser Arafat whom she had met last week in New Delhi. Unfortunately now the attitude of some of the western countries had strengthened the extremists among the Palestinians. 'I think many people in Israel also are worried about what had happened during the recent days. The situation is deteriorating very fast in the region,' Mrs Gandhi said.

Earlier, Austrian leaders at wide-ranging talks with Mrs Gandhi assured her of all support to the initiative she takes as chairperson of the Non-Aligned Movement to bring about peace in all the tension spots and to usher in a new international economic order.

Mrs Gandhi had long but separate meetings here with Federal Chancellor Fred Sinowatz and Federal President Kirchsclaeger on international and bilateral issues.

Her meeting with the Chancellor was without any aides.

India's relations with China and Pakistan, issues of Kampuchea, West Asia and Iran-Iraq war also came at the talks at which Mr Sinowatz gave a resume of the economic problems of Europe.

Mr Sinowatz described economic relations with India as "good but not in accordance with India's importance."

In the present year a joint Austrian-Indian commission will be formed with the object of providing additional impulses to mutual commercial relations.

Mrs Gandhi's meeting with the leaders followed after Dr Hans Blix, Director General of the international Atomic Energy Agency and Dr A.R. Khane, director of the United Nations Industrial Development Organisation called on her at her hotel.

Addressing the Indian community here she said there was an increase in tendency on the part of Indian newspapers to report what they considered as sensational news--quarrels and disasters and the like in the country.

CSO: 4600/1347

GANDHI 18 JUN 'MAJOR' SPEECH IN ALPBACH REPORTED

Bombay THE TIMES OF INDIA in English 19 Jun 83 p 9

[Article by L.K. Sharma]

[Text] Alpbach (Austria), June 18--The Prime Minister, Mrs Indira Gandhi, said today that India and Western Europe must build upon their shared experience of friendship and co-operation in the face of strategic and ideological problems in this "period of crisis."

Mrs Gandhi concluded her European tour with a major speech at a special "dialogue" on Indo-West European relations organised on an ambitious scale by Austria in this beautiful mountain resort.

The six-day "dialogue congress" has been billed as a major exercise of an "inventory and analysis of mutual relations" by delegates representing all walks of life. The participants, many of whom are Indians, include eminent professors, businessmen, politicians, scientists and artistes.

Besides the plenary meetings, five different forums on political, economic, cultural, social and historical aspects of Indo-West European relations will have their sessions at the congress whose objective is promotion of ties with India.

Mrs Gandhi dealt with the relations in a historical perspective and envisaged a renewal of relationship between the two. India, she said, was prepared to work together for mobilising a collective will for peace since it believed in tolerance, not bigotry. It believed in affirmation, participation and involvement, not negotiation, withdrawal and self-imposed isolation.

"Is Europe content with things as they are within Western Europe or on our globe," Mrs Gandhi asked and went on to answer it by saying that Europe was astir to assert its independent voice. Mrs Gandhi wanted the delegates to examine how the relationship between India and Western Europe could be renewed and outline the dimensions of future exchanges.

Mrs Gandhi posed before the delegates some more questions: "Does it help Western Europe to allow the gap between the rich and poor to widen? Does Europe not agree that the vast opportunities opening out to people demand a more concentrated and concerted response?"

Summing up the developments in the recent past, Mrs Gandhi said that in the last few years the restlessness of western youth had led them to rediscovery of India.

Because of increased travel and better communications, a new interest in Indian philosophy, music and other arts and artefacts had been awakened.

Provocative thinkers like J. Krishnamurti, musicians like Ravi Shankar and film-makers like Satyajit Ray, among others, formed bridges between the continents, she said.

Over the last 30 years India and Western Europe had embarked on experiments and programmes of economic and technological co-operation. "The viability of our economy depends on growth and prosperity in Europe, and European employment levels are linked to our ability to absorb their products," Mrs Gandhi emphasised with a view to driving home the message that it was an interdependent world.

Indologists' Role

She paid tribute to the innumerable scholars through whose interest and meticulous work Indians had been able to discover the richness of their own tradition. "But for Europe, India would not have understood itself," she said.

The admiration of West European Indologists for the sublimity of Indian thought and for India's achievements in various spheres helped to bolster self-confidence.

"I have had the privilege of knowing Romain Rolland, Einstein and Andre Malraux who were amongst those who delved into Indian philosophy in search of serenity but also supported India's political aspirations."

On the other hand, India's brilliant scientists like C.V. Raman, Bhabha, Chandrasekhar and Satyendra Bose made impressive contributions to world science.

Even though Mrs Gandhi focussed on intense intellectual appreciation of India and its glorious heritage at the level of scholars, she also prefaced her address by saying that Western Europe was largely unaware of India.

Mrs Gandhi at the Alpbach congress did not elaborate on this general lack of understanding of the contemporary Indian reality, but she could not have helped recalling the experience of her current tour in this context.

At almost every press conference during this tour, she had to allay the western correspondents' fears of imminent disintegration of India in the face of the Assam and Punjab agitations.

At one of the press conferences, she was also asked to clarify publicly that she was not a daughter of Mahatma Gandhi as believed by many in the European countries where the film "Gandhi" had kindled fresh interest in India.

Mrs Gandhi, in her address, recalled India's active and mutually enriching dialogue with the other early civilisation--the Mesopotamian, the Egyptian, the Iranian and the Chinese. "Not only did cotton and teak, spices and peacocks and precious stones change hands, but a whole series of ideas and thought systems were shared."

By Alexander's time, India's reputation for material and philosophical wealth was widespread in the Greek world. That was one of the attractions for the young Macedonian to come to India's plains, bringing philosophers in his camp, Mrs Gandhi said.

The Vedic religion had produced works of the highest metaphysical reach. Before the beginning of the Christian era, notable works in metallurgy, medicine and statecraft had been composed. Panini had produced his grammar, hailed by modern linguistic philosophers as one of the triumphs of the human mind.

Indian scientists and seers had the breadth of vision to have a fair measure of the magnitude of the universe, Mrs Gandhi said. "The discovery of zero and the concept of number as infinity are near the heart of Indian thought."

Western Interest

Throughout history, numerous linguistic groups poured into India. They stayed to become Indians. The power of assimilation stood India in good stead in its encounter with Islam. Conquering warriors became Indian kings and Islamic holy men became Indian saints.

How did India allow itself to be conquered by a handful of Europeans? Vasco-da-Gama had come to India before Babar. But it was the great Mughals who rose and ruled. However in the 18th century, Europe's colonising and conquering adventurism, which had found expression in the new world, turned eastwards.

Coming to the generation of her grandfather, Motilal Nehru, Mrs Gandhi said many of the political stalwarts at that time were staunch nationalists. Still they were deeply influenced by western liberal thought and even life-styles.

Numerous were the Indians, including Jawaharlal Nehru, who were educated in Europe and continued to take a lively interest in its affairs.

This was reciprocated by many westerners, especially among the British who shared India's anguish and hopes. They showed a sympathetic understanding of India.

Revolutionary young Indians took refuge in European capitals where they or their friends founded organisations like Krishna Menon's India League in London.

Mrs Gandhi recalled that she had the good fortune of growing up in a home where the best of India and Europe met--not only in the personalities of her family but in an endless stream of guests and wide circle of activists and thinkers with whom her family was in touch.

CSO: 4600/1349

GANDHI 28 JUN SPEECH TO LABORATORY HEADS REPORTED

Madras THE HINDU in English 29 Jun 83 p 1

[Text]

NEW DELHI, June 28.

The Prime Minister, Mrs. Indira Gandhi, today called for a thorough look at the national laboratories and the on-going projects in them to find out whether they were functioning the way they should.

If any of them were found becoming an ever-increasing burden, they should be closed down. Mrs. Gandhi said addressing a conference of Directors of National Laboratories under the auspices of the Council of Scientific and Industrial Research (CSIR).

Mrs. Gandhi spoke on the need for laboratories to create an environment for development of technology that would help solve the numerous problems of the country and for industrialists to imbibe the swadeshi spirit by using indigenous technology in preference to imported technology.

Technology must suit local needs and make an impact on the lives of ordinary citizens by better and more cost effective use of existing materials and methods of work, she said. This did not mean that the more sophisticated technology should be given up, but then this must also find an important place in the programmes of national laboratories.

She felt that technology should be viewed in the broadest sense, ranging from improved bullock-carts and efficient, home-made wind or other renewable energy pumps to vaccines which could be produced only by applying the highest reaches of immunology.

Need for better coordination

Referring to the working of the National Laboratories, the Prime Minister said although things had improved, the research being done was still not properly coordinated. Duplication could be avoided and resources concentrated on areas of greatest need.

The recycling of waste material and the full use of by-products was one of the most important and urgent tasks. She wanted the CSIR and its existing infrastructure to be harnessed to national goals which had been identified. These included coal, petroleum, renewable sources of energy, defence equipment, forests, drugs and pesticides.

She also voiced reservations about pesticides and weedicides because every now and then it was found from foreign journals that something which was passed and accepted had proved to be a health hazard. "I think we are prone to taking the word of the companies which approach us rather than having some independent research on the likely harmful consequences," she added.

Mrs. Gandhi noted that links between research institutes and their potential customers had improved but felt they must be strengthened further.

Indigenous technology

The Prime Minister said the technology policy statement referred to a preferential regime of incentives for users of indigenously developed technologies and for products and processes resulting from such uses through fiscal and other measures to neutralise or reduce the disadvantage suffered by such products in comparison with imported products, or those based on imported technology and known brand names.

These incentives could be in terms of licensing and other industrial approvals or fiscal reliefs.

There was need to create a climate for swadeshi in which industrial units would welcome and promote the use of indigenous

technology in preference to imported technology. This in turn would encourage new research in national laboratories and within industrial units themselves. If research was successful, one could consider appropriate investment by the public sector itself, if others did not come forward. Such commitments in atomic energy and space research had achieved spectacular results.

Mrs. Gandhi expressed interest in the development of technology in the rural areas, particularly to reduce the drudgery of rural women. This was a large spectrum, covering village, small scale and cottage industries and needed special extension efforts to productionise developments and propagate their use. Voluntary agencies should be associated in this work. The biogas programme needed to be expanded over larger areas.

Urging the need to create an environment for the development of technology which would help solve the country's multifarious problems, the Prime Minister said the agricultural and industrial base and impressive scientific manpower constantly needed technological inputs for further progress. If changes in procedures for recruitment, management structure, etc., were called for they should not hesitate, particularly to be able to use younger and creative scientists she felt.

In this context she regretted that there was a feeling that science in India was becoming

somewhat of a closed shop and there was resistance when any person, who was abroad, wished to serve India. Such proposals were usually knocked down either by the bureaucracy or the scientists themselves, she added.

Prof. S. Nurul Hasan, CSIR Vice-President assured Mrs. Gandhi that the National Laboratories would play a meaningful role in implementing the technology policy statement. "We have had a hard look at the on-going research schemes in the laboratories so as to give a shift in the research policy. We are taking up research in more significant areas

Mr. Nurul Hasan referred to the secrecy clauses in the agreements entered into for the import of technology and said that they caused difficulties and continued to frustrate attempts at absorption and adaptation of imported technology. He suggested that at least in the case of public sectors, the legal agency importing the technology should be the Government of India so that there was no legal impediment in the sharing of essential information between the importing public sector enterprise and CSIR and other R and D agencies.

Dr. G. S. Sidhu, Director-General of CSIR said that the technology policy statement had been examined in depth by the directors. He said that it was intended to develop technology forecasting mechanisms at the laboratory and CSIR levels.

CSO: 4600/1376

PRESS REACTS TO BARNES' REMARKS ON KHALISTAN

Delhi Council, CPI, MP's

New Delhi PATRIOT in English 17 Jun 83 pp 1, 9

[Text] The Delhi Metropolitan Council, in an hour-long discussion on Thursday strongly condemned US ambassador in India Harry S. Barnes for making a statement in which he equated the Khalistan demand with the freedom struggle in Puerto Rico.

In vehement protests, both the treasury and opposition benches described the statement as a gross interference in the internal affairs of the country.

Referring to the report in PATRIOT on Wednesday, the members demanded that the Ministry of External Affairs take note of the ambassador's statement and ask the US Government to recall its ambassador.

The matter was raised by Congress-I member Babu Ram Solanki under Rule 230. Mr Solanki said that the matter was very serious. The Chief Executive Councillor Jag Parvesh Chandra immediately suggested that the House discuss the issue for an hour.

Expressing his views, the Chief Executive Councillor said that it was most unfortunate that the American Ambassador had made such a statement that goes against the unity of India. Since the second world war, the Americans have been playing the game of destabilisation in many countries and a strong and stable India was not liked by them and other Western powers, he said.

"How dare the American ambassador compare the Khalistan demand with Puerto Rico which is a colony in Latin America ruled by the Americans," asked Mr Chandra. "There is no link between them and the Americans culturally, he added.

Assuring the House that under the present leadership nobody would be able to break the unity of India, Mr Chandra said that he would convey the feelings of the House to the Ministry of External Affairs for action. "Let the Americans take care of themselves and we will take care of ourselves," he added.

Among the members who spoke on the issue were Mr Rothas Singh Dabas (Lok Dal), Mr Jaspal Singh and Mr Arjun Dass (Cong-I), Mirza Siddiq Ali (Janata) and Mr Madan Lal Khurana and Dr Ram Lal Verma (BJP).

While some of the members traded allegations and charged each other with being agents of Americans or those who had given rise to the Khalistan issue, most voiced their concern and emphasised the fact that India was one and it was only the agents of the Americans who were trying to destabilise the country.

Mr Madan Lal Khurana said that the Government must not be lax on the issue but take stern measures against the Khalistanis. He also condemned foreign interference.

Meanwhile, the Communist Party of India demanded that US Ambassador in India Harry G. Barnes should be expelled from the country for his anti-India role.

The expulsion of Mr Barnes has been demanded through an editorial of the party's official organ Janyug, published from the Capital and edited by veteran CPI leader H.K. Vyas.

The CPI has urged the Indian Government to seriously consider the US Ambassador's arguments to justify his Government's attempt to equate the 'Khalistan' issue with the Indian Government's stand on Puerto Rico, which is engaged in a struggle for independence.

The editorial said that Mr Barnes has violated the diplomatic ethics and has openly given himself to anti-India conspiracy. The Indian Government should immediately order him out of the country, it said, "even if it results in cancellation of forthcoming visit of US Secretary of State George Shultz to India."

Balkanization Plan

The 'Khalistan' demand, the editorial said, was not only a part of the imperialist conspiracy to balkanize India but to create separate States on Indo-Pakistan border to undermine the Indian security.

Mr Barnes' statement, added the editorial, was a clear proof that the US Administration was supporting the 'Khalistan' demand and was behind the present agitation.

Earlier, US Ambassador at the UN Jean Kirkpatrick had issued a secret 'balkanization plan' for India and now Mr Barnes' utterances make it clear that the US Government is taking active part for the division of India, it said.

MP's Charge

Four members of Parliament belonging to the ruling and opposition parties have also accused Mr Barnes of interfering in the internal affairs of this country.

The four MPs--Mr Eduardo Faleiro (Congress-I), Mrs Geeta Mukherjee (CPI), Prof Satyashan Chakraborty (CPI-M) and Mr Safaq Hussain (DSP)--took exception to Mr Barnes' recent statement.

In a statement, the MPs said the US Ambassador has been "indiscreet and guilty of a serious lapse inasmuch as his statement amounts to an interference in the internal affairs of the country to which he is accredited."

The MPs said Mr Barnes' statement has created the impression that the US administration now puts its seal of approval for the support received from that country for the secessionist activity in Punjab.

They urged the Centre to take serious note of Mr Barnes' statement and take all precautions to frustrate the machinations of foreign powers aimed at Balkanization and destabilisation of this country.

More CPI, Other Groups

New Delhi PATRIOT in English 18 Jun 83 p 1

[Text]

US ambassador Harry S Barnes is understood to have called on the Foreign Office as the popular outrage against his equating the Khalistani extremists with the Puerto Rican freedom fighters gained momentum.

Mr Barnes came to the Foreign Office on Thursday. There has been no official comment so far on a statement he made in an interview on the eve of US Secretary of State George Shultz's visit to India.

The CPI central secretariat, in demanding that Mr Barnes be declared persona non grata for his flagrant violation of diplomatic norms, pointed out that he had not made a chance remark.

"It is an open and deliberate attempt to encourage the Khalistani protagonists who are already receiving financial and political aid from the US imperialists and the Zia regime in Pakistan to further intensify their separatist and disruptive activities". This was part of the US plan to destabilise governments in the Third World which do not ditto

the US line and to balkanize India, the CPI said.

DEMONSTRATIONS

The party called on all units to organise demonstrations at the US missions in New Delhi and its offices elsewhere to protest against the interference in the affairs of India.

All India Qaumi Ekta Committee president Maulana Syed Asrarul Haque, MP, in a statement said the US should recall its ambassador from New Delhi to pave way for a better understanding with India.

The All India Peace and Solidarity Organization warned the people to beware of external forces who were interested in destabilising the country, and called on the Government to take appropriate action.

All India Trade Union Congress general secretary Indrajit Gupta, MP, also demanded that the Government of India declare Mr Barnes persona non grata for his "hostile and unfriendly statement in defiance of all diplomatic norms" against India.

In a statement, Mr Gupta called upon the working class to demand the recall of Mr Barnes.

"If there were doubts in any quarters about the US administration's involvement with the secessionist Khalistan agitation, they have been dispelled" by Mr Barnes' remark that he made on 13 June to newsmen, Mr Gupta added.

"The imperialist conspiracy of destabilisation must be firmly rebuffed by all patriotic sections", he stated.

Mr Gupta said the reality of Puerto Rico's subjection to "Yankee imperialist slavery and exploitation" was a long standing issue in the struggle of the Latin American people for complete independence.

"To use this as an argument to justify US support, albeit clandestine, for a handful of pro-Khalistani agitators located mostly in the US and the UK, is nothing but an insolent interference by Mr Barnes in the internal affairs of India", he observed.

Lok Dal Leader

Bombay THE TIMES OF INDIA in English 21 Jun 83 p 2

[Text] New Delhi, June 20--The Lok Dal leader, Mr that the Prime Minister should ask the U.S. government to withdraw its ambassador, Mr Harry Barnes, from India.

In reply to a question at his press conference here today, Mr Charan Singh that the Prime Minister should declare Mr Barnes as a persona non grata for his remarks equating and Khalistan demand with the demand for the independence of Puerto Rico.

Mr Charan Singh said that he had told Mrs Indira Gandhi in October last that the U.S. administration was behind the Khalistan demand.

Asked what her reaction was, Mr Charan Singh said: "she kept quiet."

The Lok Dal leader made it clear that neither he nor any representative of his party would attend the June 30 meeting of opposition parties to discuss the Punjab situation.

Mr Charan Singh said he did not consider Sikhs even as a separate community, to talk at least about accepting them as a nation. "Sikhs and Hindus are the same community," he added.

U.S. Attitude Revealed

New Delhi PATRIOT in English 17 Jun 83 p 2

[Editorial]

[Text]

FAR from increasing Consortium credits to India, there has been a drop in real terms in the aid pledged at the recent Paris meeting. This year's Paris meeting held as usual under World Bank auspices is significant in that it must be a rare gettogether where India's Western aid givers have reduced the quantum of concessional credits. Though the World Bank and the aid-giving governments spoke highly of India's economic management it has not been possible for the Consortium to sustain the assistance at last year's level, let alone respond favourably to India's requirement. The decline in aid reflects the US-led thinking that this country should get less of concessional credits from the multilateral and official sources and depend more on loans on commercial terms. In part the drop reflects the attention the West is paying to China's claim to external assistance. After vaunting self-sufficiency and self-reliance

for nearly 30 years, Beijing has taken the wraps off the Chinese economy to reveal its deficiencies which had been kept concealed from the world and, presumably, the Chinese people by slogans and unverified claims of economic successes. The IDA's depleted resources are now to be shared by China also, and this low-interest source will have much less to spare for India than heretofore.

The US, whose absence from the Aid-India Consortium until 1978 did not quite block the flow of official loans to India, is taking an unhelpful stand—now to suggest that India should "graduate" from concessional assistance to raising loans in the money market. The US, which has consistently refused to obey the UN recommendation that the industrialised countries should earmark at least 0.7% of their GNP as official assistance to developing countries, is now the chief protagonist of the idea that India should get less and less of official assistance. It nearly blocked the IMF loan and allowed this as a last minute political concession in anticipation of pro-business liberalisation in the Indian economy. The change of Government in Bonn appears to have hardened the attitude to assistance for India. The right-wing CDU-FDP West German Government appears to be swallowing the Reagan line on official aid. Japan, as usual, will juggle with figures and its commitment will not be clear for some time. The little bilateral aid America offers will be subjected to so many qualifications that the Government of India will not know how to utilise it.

Although over-dependence on external assistance entails grave danger for the recipients, the anti-aid American stand has nothing whatsoever to do with those reservations. If, as American officials claim, official assistance is justifiable both in economic and political terms, from the Western view-point, then the illiberal attitude they display towards India's assistance claims can be explained only in political terms. By most economic criteria India qualifies for more, not less, official assistance from the Western countries which see assistance as conducive to political stability and preventing the spread of radicalism in developing nations. The US administration disfavours aid to India because it dislikes the Government of India and its policies, domestic and foreign. Pakistan, by contrast, receives, per capita at least four times as much official assistance from the Western and Islamic sources as is given to India. The reason is simple. Pakistan's domestic policies and alignment with the West in international affairs qualify it for greater assistance, whereas India's assertion of independence invites American chastisement.

INDIA

PRESS REPORTS INSTALLATIONS OF NEW KASHMIR CABINET

Eight-Man Team Sworn In

Bombay THE TIMES OF INDIA in English 13 Jun 83 p 1

[Text] Srinagar, June 12--An eight-member council of ministers, headed by Dr Farooq Abdullah was sworn in by the governor of Jammu and Kashmir, Mr B.K. Nehru, at Raj Bhavan here today.

Seven ministers are of cabinet rank and one is a minister of state. Of them, Mr G. Moluddin Shah, Mr I.N. Handoo and Mr Bodhraj Bali were members of the outgoing ministry.

The chairman of the upper house, Hakim Habibullah and the speaker of the dissolved assembly, Mr A.R. Rather, figure in the new cabinet.

Mr Jagjivan Lal, a Harjan who had distinguished himself by getting elected from the unreserved constituency of Reasi, is the only minister of state. He and Mr Bali represent the Jammu region.

The ministers of cabinet rank include Dr Farooq Abdullah, Mr G.M. Shah, Mr P.N. Handoo, Mr A.R. Rather, Mr Bodhraj Bali, Mr Hakim Habbullah and Mr Mohammad Shafi.

Mr Shafi, who was a member of the late Sheikh's ministerial team was dropped by Dr Abdullah when he reconstituted the council of ministers late last year.

Ladakh is so far unrepresented as neither Munshi Habibullah, who was elected from Kargil, nor Mr Soma Wangchuk, who lost the election, have been included. Both were members of the former council of ministers.

Sikhs Unrepresented

No member of the Sikh community has found a place in the cabinet even though Sant Harchand Singh Longowal, Akali leader of Punjab had given a call to the community in the state to vote for National Conference candidates. It is likely that the Sikhs might get representation when the cabinet is expanded later to represent other regions and communities.

Among those present at the swearing-in ceremony were Dr Karan Singh, former Union minister, Syed Mir Qasim, former chief minister, Mr Raju Patnaik, Janata Janata party leader, and a large number of invitees, including National Conference activists, many of whom had gate-crashed.

There was a stampede after the function was over and the invitees had to leave without partaking of the refreshments as party activists made a bee line for the table. Even Mrs Farooq Abdullah had to remain standing under the shamiana for about five minutes till a seat was found for her.

Dr Farooq Abdullah was hugged by Syed Mir Qasim and Mr Patnaik when he rose for the swearing-in ceremony.

After taking the oath of office, he went to his mother sitting in the front row and was embraced by her. Official sources said today that the budget session would be called by the month-end.

The notable absentees at the oath-taking ceremony were Mr G.M. Shah, former cabinet minister and brother-in-law of Dr Abdullah, Mr G.M. Kochak and Mr M.K. Tikoo, both former cabinet ministers. Even Mirwaiz Farooq, chairman of the Awami Action Committee, who had extended support to the National Conference in the elections, was conspicuous by his absence.

UNI, PTI adds: The National Conference has improved its position in the Jammu region by winning eight assembly seats against seven in the last elections.

The last two results declared on Sunday from the Poonch district were shared by the ruling party and the Congress. They claimed Mendhar and Surankot respectively.

About 12 people were injured when police lathi-charged a large number of Congress (I) supporters who had assembled outside a counting centre in the north Kashmir district headquarters of Baramulla where the counting of votes for the prestigious Pattan constituency was to be resumed on Sunday.

Simla (PTI): The chief election commissioner, Mr R.K. Trivedi, said on Sunday that the Jammu and Kashmir chief election officer has been directed not to include the name of the representative from the Doda constituency in the newly-constituted J and K assembly.

Key Portfolios for Farooq

Bombay THE TIMES OF INDIA in English 14 Jun 83 p 1

[Text] Srinagar, June 13--The allocation of portfolios of the Jammu and Kashmir council of ministers was announced today with the chief minister, Dr Farooq Abdullah, holding charge of the bulk of the departments, including home, tourism and industries.

Though Mr Bodh Raj Bali has been designated minister for health and food, supplies and transport, a major competent of the health department relating to health education, including attached teaching hospitals, medical education services and the institute of medical sciences, will be looked after by Dr Abdullah.

The medical education department is one of the most controversial ones and has repeatedly figured in writs in the supreme court where aggrieved students have challenged the mode of selection of students for the MBBS course.

Cong. (I) Wins Pattan

The only minister of state, Mr Jagjiwan Lal, will be attached to Mr Bali and will look after the food, supplies and transport departments.

Mr Ghulam Mohiuddin Shah will be in charge of works, power and housing, Mr P.L. Handoo remains minister for law and revenue.

Mr A.R. Rather is designated minister for finance. In addition he will oversee Haj and Auqaf departments.

Mr Hakim Habibullah is minister for agriculture and forests. Mr Mohammed Shafi is minister for education and social welfare.

UNI adds: The Congress (I) tally in the Jammu and Kashmir elections mounted to 26 today when the party wrested the Pattan seat from the National Conference.

The Shia leader, Moulvi Iftikhar Hussain Ansari, defeated the ruling party nominee, Mr Abdul Azia Parry, in a tough four-cornered contest.

The Congress (I) has also bagged one seat each from the Shangas constituency in Anantnag district and the Buddhist-dominated Leh in far-flung Ladakh district. From Jammu province it has taken 23 seats.

CSO: 4600/1324

ELECTION COMMISSION RULES ON KASHMIR RESULTS

Bombay THE TIMES OF INDIA in English 23 Jun 83 p 1

[Text] New Delhi, June 22--The election commission today invalidated an assembly result in Jammu and Kashmir adding the constitutional issue of its overriding powers to the communal and political fall-out of the bitterly fought poll.

This is the first time that the commission has invalidated anywhere the result pronounced by a returning officer. In J & K, the commission has been supervising polling since 1962.

The secretary of the commission today sent by wireless a message to the chief secretary notifying repoll in parts of Doda constituency where the returning officer had declared elected the National Conference candidate.

The Election Commission contends that the returning officer, Mr Sirajuddin, in defiance of its instructions declared the result. He had been asked to withhold the result after complaints of rigging and other malpractices were received by the commission's local observer and the district judge.

Subsequently, the commission directed the Central observer for Jammu, Mr H.D. Bansal, to inquire into the circumstances in which the result was announced. The commission also obtained the advice of the attorney-general.

The Central observer's report was received this morning and soon afterwards, the commission's secretary, Dr Bhalla, sent its message to the chief secretary on the repoll.

The commission has also sought action against Mr Sirajuddin for defiance of its instructions for which he could be punished with fine and imprisonment.

The state government has so far complied with the stand taken by the election commission. It has not notified the result of Doda constituency. It promptly offered the services of an alternative returning officer who, however, was objected to by a contestant saying that he was related to one of the candidates. Now the state government will depute another official.

The commission said: "After considering the report of the Central observer and other evidence available to it and the legal advice of the attorney-general, the election commission in exercise of the authority vested in it under section 138 of the Jammu and Kashmir constitution, read with sections 68 and 76 of the Jammu and Kashmir Representation of the People Act, 1957, and all other powers enabling it in that behalf, hereby directs that the declaration of the result of election of the Doda assembly constituency made on June 7, 1983 by the returning officer of that constituency shall be treated as a nullity.

"There shall be repoll in the areas covered by polling stations listed in the annexure and the repoll shall be held on such date as may be decided by the commission--(a) after appointment of another returning officer under the law and (b) after the state government has satisfied the commission that all suitable and adequate arrangements have been made for the conduct of free, fair and peaceful poll.

"Necessary legal action shall be initiated against Mr Sirajuddin who functioned as the returning officer at the relevant period for violating the law and defiance of the commission's authority.

"Departmental action shall also be initiated against such other officials who are found to be a party to this act of defiance and dereliction of duty."

The annexure lists 16 polling stations.

CSO: 4600/1361

SOURCES QUOTED ON DESIRE FOR BARNES OUSTER

New Delhi PATRIOT in English 23 Jun 83 p 1

[Text]

The growing demand for expulsion of US Ambassador Harry G Barnes is likely to gather further momentum with the disclosure that he is a top trained intelligence operative.

Highly placed diplomatic sources here expressed the hope that the US administration will recall Ambassador Barnes from this country before it is too late and not put the host Government in an embarrassing position.

'His effectiveness in India has been severely damaged by his provocative statement comparing Puerto Rico's freedom movement with the secessionist demand for Khalistan,' these sources said. If the US administration is interested in improving relations with this country, it should remove Ambassador Barnes from the scene,' they added.

The Government of India is hoping that the US administration will not make it necessary for New Delhi to declare Ambassador Barnes persona non-grata and demand a formal recall.

Highly placed diplomatic sources confirmed on Wednesday that Ambassador Barnes is a top intelligence operator of the US State Department. His name figured on page 48 of the book 'Who is Who in CIA'. The book has been compiled by Dr Julius Mader. Further investigation revealed though the title of the book refers to the CIA, the entries made therein cover all the intelligence agencies of the United States of America. Mr Barnes works for the intelligence outfit of the US State Department which plans 'political operations' against targetted governments.

According to informed sources, Harry G Barnes, who had his education in Columbia University, was recruited by the US State Department intelligence set-up immediately

after he completed his army service in 1946. From the very beginning he was being groomed for major intelligence operations in India. His field training began in Bombay where he was posted under the cover of Vice-Consul during 1951-53. He was given a one-year specialised intelligence training at the school of intelligence at Obervimmeran in the Federal Republic of Germany. His service record shows that he was at that time getting 'training in the Russian language.' It is obvious that an obscure small town in West Germany on the Austrian border is not the most convenient place for training in the Russian language specially for some one supposed to be a diplomat, when there are many well-known institutes for the Russian language in the US.

He was sent to Moscow under the cover designation of 'publication procurement officer'. On his return, he received higher training in espionage at what is described as the 'National War College'.

According to informed diplomatic sources, the US State Department had, at one stage, decided to post Mr Ronald Spiers as US Ambassador to India. But the decision was changed because the top brass in the State Department intelligence set-up wanted their 'man' in Delhi. Mr Barnes outmanoeuvred Mr Spiers, who was then posted to Pakistan.

ASSIGNMENT

According to these sources, Ambassador Barnes' main assignment in India is to implement the 'Operation Balkanisation' blueprint enunciated by Ms Jean Kirkpatrick, who is a confirmed top intelligence official.

It is not the first time when the US administration has posted an

intelligence agent as an ambassador for carrying out its plans of destabilisation. The Indonesian Government had announced on 1 February 1968 that it had documentary proofs that the then US Ambassador Allison had tried to organise a coup to 'change the structure of the Indonesian Republic.' Mr Allison was declared persona non grata and was packed off from Indonesia.

According to the Washington Post, 'the United States once stationed almost as many spies overseas as diplomats.' At one point of time, the Central Intelligence Agency had 3,700 employees operating overseas under diplomatic or other US official titles, the report said.

On Wednesday, the United States Information Service tried to explain away the Puerto Rico-Khalistan statement made by Ambassador Barnes and circulated extracts of a letter written on 1 March this year by Secretary of State George Shultz to Minister of External Affairs P V Narasimha Rao. In this letter, Mr Shultz said that the (US) Administration is firmly committed to the united and territorial integrity of India'.

According to the USIS, the American Embassy has released Mr Shultz's statement in view of 'certain misunderstanding arising from distorted reports of recent remarks by Ambassador Harry G Barnes'.

NO DISTORTION

The USIS has not stated in what manner PTI, which circulated the report of the interview given by Ambassador Barnes, had 'distorted' his remarks. It has not been able to do so for the simple reason that there was no distortion.

This is confirmed by the 'official text' of the interview circulated by the United States Information Service on 10 June. The 'official

text' was embargoed for release after 6 p.m. 13 June 1983. The USIS press note, issued under the title 'Prelude to Secretary of State George P Shultz's visit', describes the text as 'the transcript of the interview'.

On page 8 of this official text Ambassador Barnes made the observation: 'There are people who come to India, for instance, who advocate a separate independent Puerto Rico. We as a country think the people of Puerto Rico have had a chance to express their opinion — we don't go around complaining because some body happens to come to India from time to time and talk about Puerto Rico'.

Prime Minister Indira Gandhi made it amply clear the other day that the activities of self-styled Khalistani leader Jagjit Singh Chauhan in the US went beyond merely being allowed to exercise freedom of expression. The base of the secessionist Khalistan movement is in the US, she added.

During the interview, Ambassador Barnes' attention was drawn to the report that Jagjit Singh Chauhan was to give evidence before a Senate agricultural committee. Instead of dealing with this issue seriously the US Ambassador treated the matter in a cavalier fashion. He said: 'It seems to me it is hardly ground to get terribly excited about. If he is no expert on agriculture, then why worry?' (page 9 of the official text issued by the USIS, New Delhi).

Keynote: When Henry Kissinger visited India as Secretary of State he vehemently denied that there was any CIA operation in India.

A senior Indian official remarked sarcastically, 'Why? Are we so unimportant'.

Kissinger went red in the face; he knew that every one knew he

was lying.

JANATA LEADER'S 26 JUN PRESS CONFERENCE REPORTED

Madras THE HINDU in English 27 Jun 83 p 9

[Text]

NEW DELHI, June 26.

As a follow-up of his padayatra from Kanyakumari to New Delhi, the Janata Party President, Mr. Chandra Shekhar, has planned to set up a network of centres in the country to understand the problems of the people and mobilise efforts to get them solved.

Mr. Chandra Shekhar told a press conference here today that the first centre would be set up on August 9 — the day Gandhiji gave the 'Quit India' call.

The centres would make the people conscious of their rights, coordinate their protest movements and help bring about a socio-economic transformation.

The economic lot of the people in the countryside was worsening day-by-day and their patience could no longer be tested by politicians. He warned against attempts to suppress dissent and genuine protest movements by dubbing them as "extremist actions."

During his padayatra the people he met never enquired about how Parliament functioned and this indicated that Parliament had lost its relevance to the people. Parliamentary democracy had not become irrelevant but the way it was operated by the ruling party had made it irrelevant. It would become relevant if the ruling party was responsive to the people's problems raised in Parliament by the Opposition parties, he said.

Mr. Chandra Shekhar felt that the Planning Commission should change the plan priorities in favour of the people's basic problems. He would cooperate with the Government in this effort.

During the padayatra Rs. 10 lakhs had been received by him through donations from the people, he said.

Civil disobedience: Mr. Chandra Shekhar said though he was not in a position to give a call for civil disobedience he was convinced that the situation in parts of the country was such that the people were ready to give expression to their sufferings (report PTI and UNI).

"Sometimes history decides in hours what cannot be decided in years", he said.

From now on he would devote less time to "routine politics". When asked how his party would take this, he said he was not in politics on other's terms. "I am in it on my own terms which I have found by my experience."

The question of whether he remained at the head of the party or not would be decided at the coming organisational elections.

"Gimmicks": Mr. Chandra Shekhar decried the projection of caste and religious differences at the "highest level" and appealed to politicians to resist the temptation of using these "gimmicks" for petty political gains.

To say something in Gauhati and the reverse of it in Srinagar might help in achieving short-term party ends but this was the surest way of destroying society, he said.

Asked if he would respond if the Prime Minister, Mrs. Indira Gandhi, invited him to join her party, the Janata leader snapped: "We know each other too well. I hope she will not have the indignity of doing that. Nor shall I do any such indignity to her."

About Opposition unity, he said when even on most vital issues these parties did not speak in one voice, the less said about prospects of their unity, the better.

The Punjab and Assam problems had been mishandled, coercion would not be able to tackle them. He would go to Punjab tomorrow to appeal for peace and communal amity and also visit Assam next month.

PRESIDENT'S RULE DECLARED IN PONDICHERRY

Bombay THE TIMES OF INDIA in English 25 Jun 83 p 1

[Text] New Delhi, June 24--Pondicherry was today brought under President's rule and its assembly dissolved following the collapse of the DMK-led coalition government.

A decision to impose President's rule in the Union territory was taken by the cabinet earlier in the day after considering the report of the lt-governor.

President's rule will remain in force for a period of six months.

The President dissolved the legislative assembly after the report of the lieutenant-governor, Mr M.K.M. Chandy was approved by the Union cabinet.

With this, the 41-month-old DMK-Congress (I) coalition ministry headed by Mr D. Ramachandran came to an end.

The lt-governor of Pondicherry, in his report of June 22, had recommended to the President that the assembly should be dissolved.

After the ten-member Congress (I) withdrew its support to the DMK-led ministry, was reduced to a minority in the 30-member assembly.

Mr Chandy, in his report, said the DMK either itself or with the support of others was not in a position to form a stable government. The chief minister's claim of a majority has not been supported by oral or documentary evidence from individuals as well as parties in the legislature," he added.

The actual situation is far from the contention of the chief minister of having majority support in the assembly. The request by the chief minister for time to prove his strength on the floor of the house "seems to be a thinly disguised attempt" for indulging in horse trading. This may set in a chain reaction of defections and counter-defections and sequence of unhealthy events, the report added.

The lt-governor added that the next largest single party in the legislature, the Congress (I), has not expressed any desire to be invited to form the government.

Therefore, "I may recommend to the President that resignations of three Congress (I) ministers may be accepted," Mr Chandy said.

He has also stated that the situation in the Union territory is such that the administration cannot be carried on in accordance with the provisions of the government of the Union Territories Act, 1963. Therefore, "recourse to section 51 of the act is immediately necessary."

This section empowers the President to dissolve the assembly and appoint an administrator to discharge the day-to-day functions of the government on his behalf.

CSO: 4600/1367

ANALYST FORESEES 'EXTENSIVE' CABINET RESHUFFLE

Madras THE HINDU in English 10 Jun 83 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, June 9.

There were some hints before the Prime Minister, Mrs. Indira Gandhi, left yesterday on her five-nation tour of Europe, that she might go in for a Cabinet reshuffle after her return.

But it is not clear whether she still intends to make some major changes as contemplated earlier or confine the reshuffle to only some marginal adjustments with the induction of a few new faces.

According to some of her confidants, Mrs. Gandhi had almost made up her mind last month to reconstitute the Cabinet, but she put it off after running into some difficulties over reallocation of some of the key portfolios involving a number of her senior colleagues. The exercise is still on, in the sense that some important administrative decisions relating to policy matters have been kept pending for the present.

If she goes through with it, the proposed reshuffle might be fairly extensive since it would be the last one before the next parliamentary elections. Moreover, with hardly 18 months left for the poll in the normal course, she will have to make a serious effort from now on to improve the image of her Government.

At the political level, the party organisation has to be reactivated and got ready to face the people with all the disadvantages of having been in power for five years and not lived up to its expectations. The proposed reshuffle is part of this image-building effort to project the ruling party as the only viable choice with all its limitations.

Thinking in inner circles: A certain amount of thinking has already been done in the inner circles on how Mrs. Gandhi and her advisers should proceed to select the party candidates, the criteria to be applied for allotting the ticket, the procedures to be followed for fund collections, and the logistical requirements for the countrywide campaign.

The one point on which Mrs. Gandhi's advisers seem to be agreed is that she can hardly inspire the necessary confidence among the people with her present team without making some drastic changes even if it be for only psychological reasons to create an illusion of greater zeal to put in better performance. But, then, the earlier plans for a drastic Cabinet reshuffle, followed by a big shake-up at the party level, were also based on the same facile assumption that she will have to do something before it became too late.

After the Congress (I)'s defeat in Andhra Pradesh and Karnataka, there was evident concern in high party circles that, unless some drastic steps were taken to improve the quality of State Governments, the party might be faced with similar shocks elsewhere during the parliamentary elections. But the very advisers who were urging Mrs. Gandhi to get rid of some of the unpopular Chief Ministers started cautioning her against it after the Congress (I) gave a better account of itself in the Delhi Metropolitan Council elections and the by-elections in a number of States.

Misleading conclusions: Once again some totally misleading conclusions are being drawn from the Congress (I)'s performance in Jammu and in the West Bengal panchayat elections to reassure themselves that, despite the recent debacle in the South, the party is still well placed to give a better account of itself in the parliamentary elections. The much postponed Cabinet operation at the Centre has got enmeshed in this image-building exercise to an extent that the resignations of all the Central Ministers were called for after the Andhra and Karnataka setback and finally only some marginal changes made without serving any positive purpose.

It is still an open question what exactly Mrs. Gandhi will do on her return, but during her travels she is going to at least mull over the problem. The very talk of an Opposition line-up tends to rattle the Congress (I) and make the party feel a little more insecure, although its opponents are in no position to mount any serious challenge.

The few old men left in the party with better experience of Indian elections are more concerned about the bad impression created by the bickerings within the ruling party and its record of misrule in many States. They are not unduly rattled by the Opposition talk of a united front, since the credibility of some of these parties remains pretty low after the mess they made of the Janata experiment.

In this sense, the initiative for improving the Congress (I) prospects in the time left for the parliamentary elections still rests with Mrs. Gandhi. If she can act boldly and with imagination in shedding some of the dead-wood in her team, she can certainly make a better impression even with token improvements in the calibre and quality of her Government.

INDIA

REBEL GROUP DEMANDS SOVEREIGNTY FOR NAGAS

Calcutta THE SUNDAY STATESMAN in English 12 Jun 83 p 7

[Text]

SHILLONG, June 11.—Mr Isak Swi, chairman of the National Socialist Council of Nagaland, a rebel organization, has declared that his party stands for the "sovereign right of the Naga people over every inch of Nagaland and the dictatorship of the NSCN". The NSCN resurgence is significant in the context of reports about the resumption of the "China traffic" and the return here of a rebel group, probably armed.

There are indications that the People's Liberation Army of Manipur, under Temba, has been trying to sneak into Manipur from the Kachin area. Temba is perhaps the last of the "Ojnas" or gurus.

An NSCN deserter had revealed in 1980 that Chinese authorities told Isak that they would consider requests for arms and aid after 1983 was out. China was reportedly faced with some internal problems at the time.

Isak's declaration, published in a Nagaland weekly, is subtly worded and betrays a catholicity of outlook which contrasts with the emotional outpourings of Muivah.

He says: "We stand for faith in God and the salvation of mankind." The NSCN also raises the

demand: Nagaland is 'for Christ'.

The individual's right to freedom of religion, however, will be safeguarded and the imposition of this faith on others is strictly forbidden.

Isak thinks Nagaland can be "freed" only by means of violence. But unlike Muivah's men, whose feud with the Phiro faction, often resulted in massacres, the Isak group is for coexistence up to a point, provided the overall objective is not compromised.

The federal group, he says, should admit their mistakes. They will do good to our country if they surrender gracefully and make way for the NSCN, says Isak.

DSP PRESIDENT BAHUGUNA TALKS TO PRESS

Calcutta THE STATESMAN in English 20 Jun 83 p 8

[Text]

AGRA, June 18.—Mr H. N. Bahuguna, president of the Democratic Socialist Party, said here today that his party had joined hands with the Congress (S) and the Rashtriya Congress so that the three parties could work together on the basis of common values, programmes and unity of thought, reports PTL.

Addressing a Press conference, he said this could also be a basis for united action with other Opposition parties. He said he had met Mr Charan Singh, leader of the Lok Dal, about four or five times, as well as Mr Jagjivan Ram, and had told them about his meetings with each of them.

He also intended meeting Mr Chandrasekhar when the latter completed his padayatra, he said, adding that he was prepared to hold talks with it as well, provided that party saw the "writing on the wall" after the Jammu and Kashmir poll. Mr Bahuguna said as far as popularity went, Mrs Gandhi had got only 38% of the votes polled, which meant that if the other parties could come together ideologically and then in the elections, the election results would have been different.

Mr Bahuguna said that it was wrong to call the Union Government the Central Government, since the latter term was not to be found in the Constitution. India, instead of being a union of States, had been turned into a country with a Central Government and powerless States, he alleged.

He added the work of the Union Government should be limited to doing research and development work and leaving it to the States to implement general policies.

INDIA

LETTERS EXCHANGED BETWEEN HOME MINISTER, LONGOWAL

Madras THE HINDU in English 22 Jun 83 p 9

[Text] New Delhi, June 21--The following is the text of Mr P.C. Sethi's letter to Sant Longowal of June 15:

I am in receipt of your letter dated June 11. You may recall that in your letter of June 2 you had asked that the issues for discussions be identified.

As you are aware, the Prime Minister had made an announcement on the religious issues some time ago. A commission under the Chairmanship of Mr Justice R.S. Sarkaria has also been set up. The various viewpoints pertaining to the relations between the Centre and the States can now be placed before it. In view of the above, I had referred only to the two pending issues, namely, the distribution of Ravi/Beas waters between Punjab and Haryana and the territorial disputes between these two States. A number of formulations have been put forth in respect of these matters on different occasions. As you will appreciate, solutions to these problems have to be found with the concurrence of the Government of Haryana and new formulations, if any, from your side have to be discussed with the representatives of that Government also. We are prepared to arrange such discussions after knowing your suggestions on these matters and shall try to find a solution satisfactory to all parties.

I may point out that the Government was not trying to bring in any extraneous element or being provocative while mentioning the reported misuse of holy places whose sanctity we all cherish and want to maintain. This issue was raised earlier in our discussions. They are cause for anxiety to us and indeed in the public mind. They are crucial for establishing lasting peace in Punjab.

I may add that it is unfortunate that immediately after sending your reply to my communication you should have given a call for "rail roko." This cannot but lead to tremendous inconvenience and needless suffering to innocent people. I do hope that you will still reconsider your stand.

I once more reiterate my earlier invitation to you for further talk in Delhi and request you to suggest dates that you may find convenient for the purpose. With kind regards. Yours sincerely, P.C. Sethi.

The English translation of today's letter from Sant Longowal written in Gurmukhi is:

Dear Shri Sethiji,

I have carefully read the letter sent by you on June 15. After deep consideration of this letter, I have come to the conclusion that the Government is not serious about the constitutional, legal and clear-cut demands of the Akali Dal about the solution to the Punjab issue. The attitude of sacrificing the demands of justice and the overall interests of the country for the sake of personal and party interests is unfortunate for the country and for all of us.

With regards,

In the service of the Gur and the Panth, Sd./-Harchand Singh 'Sant' Longowal.

CSO: 4600/1360

OFFICIAL SAYS INDIA SHOULD CLAIM UNDERSEA WEALTH

Madras THE HINDU in English 23 Jun 83 p 7

[Text]

CALCUTTA, June 22

India joined the International Club for Exploration of Under-Sea Minerals as the country's first ever research vessel "Samudra Manthan" of the Geological Survey of India (GSI) was commissioned by the Union Minister of State for Steel and Mines, Mr. N. K. P. Salve, at the Man-Of-War jetty here today.

Acquired at a cost of Rs. 5.70 crores and fitted with sophisticated equipment, the vessel sails for the Andaman Sea on Friday to start marine survey work.

Mr. Salve said India should establish its claim on the invaluable mineral deposits lying beyond the exclusive economic zone (EEZ) before any international sea-bed authority comes into being.

The U.N. Conference on the Law of the Sea (UNCLOS) evolved certain norms for the equitable distribution of renewable and non-renewable resources of the ocean, which had been declared as "the common heritage of mankind."

Developed countries like the U.S. and the U.K. were already appropriating the sea wealth, and India could not go by default in the matter, he said.

The Centre, Mr. Salve said, had taken up a massive programme to exploit land-based ores and mineral resources. To supplement these efforts off-shore exploitation was imperative since the prospects were "very bright".

"Samudra Manthan" is fully air-conditioned and equipped with four laboratories and a workshop, besides navigational apparatuses. The 36-member crew of SCI will operate the vessel and 25 GSI scientists on board will conduct surveys and research.

Mr. P. K. Basu, Secretary to the Union Ministry of Steel and Mines, said negotiations with the Dutch Government for the purchase of two motor launches for GSI were under way.

The West Bengal Chief Minister, Mr. Jyoti Basu, who was the chief guest, assured the GSI of his Government's cooperation for its geo-scientific surveys. — PTL.

HARYANA MINISTERS RESIGN, ARE DISMISSED

Bombay THE TIMES OF INDIA in English 29 Jun 83 p 1

[Text] New Delhi, June 28 (PTI)--Five Haryana ministers backed by Mr Lachhman Singh and Mr Phool Chand, who were sacked from the cabinet yesterday, have demanded removal of the chief minister, Mr Bhajan Lal, alleging that the image of the party has touched the lowest ebb in his regime.

But Mr Chandulal Chandrakar, AICC (I) general secretary, in reply to newsmen's questions, ruled out any change of leadership in Haryana.

He disapproved of the way the five ministers and a parliamentary secretary submitted their resignations, addressed to the state governor, to an aide of the Prime Minister this morning.

Mr Chandrakar felt the ministers should have first apprised Mrs Gandhi of their grievances before taking this precipitate action.

Mr Chandrakar also disapproved of the manner in which the news of the resignations had been leaked to the press.

Asked if the resignation had sparked off a political crisis in Haryana, Mr Chandrakar said: "Not at all."

He maintained that it was the duty of a chief minister to ask for the resignation of any of his cabinet colleagues.

Mr Chandrakar indicated that the party high command might talk to the ministers and listen to their grievances stating that they were all Congressmen and were not going to quit the party.

Mr Chandrakar said that when Mr Bhajan Lal had gone to the United States for treatment, some dissidents had met the Central leaders and spoke of their grievances, but nothing was submitted in writing.

Meanwhile, Mr Bhajan Lal is understood to have sought the leadership's permission before sacking two of his ministers.

Mr Lachhman Singh today charged Mr Bhajan Lal with misleading the part-leadership and obtaining permission to drop him and Mr Phool Chand.

C.M. Unperturbed

In Chandigarh, Mr Bhajan Lal declined to comment on the resignations of his ministers. He, however, justified the dismissal of the health minister, Mr Lachhman Singh and the revenue minister, Mr Phool Chand stating that they had forfeited his confidence.

Apparently unperturbed over the resignations, he hinted that four opposition MLAs had applied for admission into the Congress (I) and their cases were under active consideration.

Barring Mr Harpal Singh and Mr Surinder Singh, the others who submitted their resignations today and Mr Lachhman Singh and Mr Phool Chand were rebel Congress (I) candidates in last year's elections. Later they had joined the Congress (I).

UNI adds:

Those who have resigned are Mr Harpal Singh (public works), Mr Surinder Singh (agriculture), Mr Govardan Das Chauhan (social welfare, scheduled castes and backward classes), Mrs Sharda Rani (development and panchayat), Mr A.C. Choudhary (local self-government) and Mr Amar Singh Dhanak (parliamentary affairs).

CSO: 4600/1375

DELEGATE TO UNDP COUNCIL SCORES FUNCTIONING

New Delhi PATRIOT in English 15 Jun 83 p 3

[Text]

UNITED NATIONS, June 14 (PTI) — The United Nations Development Programme (UNDP) has come in for some sharp criticism from India for 'failing' to come up to the expectations of developing countries.

Leader of the Indian delegation to the current session of the governing Council of UNDP, B M Oza told the Council that it seemed that the UNDP had been suffering from a 'crisis of confidence' in both the major donor countries and the net recipient countries, though largely in the former.

He said the confidence of the developing countries in the ability of the UNDP to fulfil its functions was also shaken.

Mr Oza said frequent scaling down of the programme levels, no doubt necessitated by the shrinking of resources, had not only adversely affected the programmes and activities, but had created an atmosphere of uncertainty as regards future programme planning.

Mr Oza pointed out that as far as India was concerned, some forty projects totalling 44 million dollars had suffered due to successive cutbacks in the last two years.

'Helpless as the UNDP administration is in this regard, it has the understanding, even the sympathy of my Government, he said. 'But there are other areas not dependent on funding levels where UNDP failed to come up to the expectations of the developing countries'.

The delegate said the UNDP had shown signs of progressively sliding in the role of an executing agency by chasing trust funds and extra-budgetary activities in its anxiety to muster more funds to sustain its existing size and structure.

He also criticised the UNDP for taking a rather narrow and restrictive view of its role in the promotion of technical cooperation among developing countries and in interpreting the role assigned to it by the Buenos Aires plan of action.

Mr Oza said Government execution was another issue on which not much progress had been registered. There was no point in blaming the governments of the recipient countries for not availing of this facility when the administrative and procedural formalities remained so complex and cumbersome that only UN agen-

cies with required expertise in this respect could operate.

In Mr Oza's view, the UNDP had, at best been a passive promotor of this idea, leaving all initiative to do and undo government execution to the recipient governments and the concerned and interested executing agencies respectively. The UNDP needed to do far more by way of publicity and educating the recipient countries in the modality of government execution, not to speak of the need to make appropriate procedural changes, he said.

On the financial crisis of the UNDP Mr Oza said, lack of political will on the part of major donor countries continued to be the central factor. But a closer study and deeper analysis of the body politic of the UNDP had led his government to believe that there was something more to it.

'We firmly believe that the UNDP already has sufficient authority and its Governing Council can take rectificationary measures which would go a long way in restoring the confidence of the major donor countries in the UNDP without adding to the existing bureaucracy and institutional framework', Mr Oza said.

MANY INDIANS REPORTED BEING HELD IN SRI LANKA

Calcutta THE STATESMAN in English 24 Jun 83 p 7

[Text]

COLOMBO, June 23.—A number of Indian origin, arrested by the Sri Lanka police on charges of illegal entry, have to stay in the Salve Island detention camp here for months, until the Indian authorities can clarify their citizenship status, reports UNI. Some of the detainees at the camp report that the Indian authorities took a long time to resolve their case. A spokesman for the Indian High Commission here, however, asserted: "Every illegal immigrant at the detention camp receives our prompt attention. Every effort is made, within the parameters of our method of determining the Indian origin and nationality of a person, to expedite a decision in each case".

Some of the detainees complain that even when their relatives in India had sent affidavits from MLA's and Tahasildars, the officers at the Indian High Commission in Colombo had refused to accept them.

An Indian fisherman was arrested by the Sri Lanka police at Talaimannar on February 6, 1983 and brought to the detention camp on March 7. When his relatives in India sent affidavits to the High Commission testifying that he is an Indian citizen, an official of the High Commission wrote a letter to the detainee, saying: "Your case is under reference to the district authorities in India and their reply is awaited". He was finally deported a week ago.

Some of the detainees, who claim they are Indian citizens,

were also bitter that none of the High Commission officials visited them at the camp, unlike in the cases of detainees from other countries.

Asked for a comment, the spokesman for the High Commission said: "Visits are made by officials of the High Commission to the camp with the cooperation of the local authorities whenever a specific complaint is received from the detainees. No complaint regarding conditions at the camp has been made to us by any detainee in recent months".

The detenus, who include people who have overstayed their visa permits, however, say they have no access to the High Commission officials because police officers in charge of the camp are usually not cooperative.

They also alleged that in some cases the emergency certificates forwarded to the camp authorities by the Indian High Commission had not been handed over to detainees in time to catch the ferry back home.

In February an Indian detainee, escaped from the camp but was later intercepted by police and re-arrested. The detainees were also critical of the Department of Immigration and Emigration which is in charge of the camp. "They call us 'Kallathonies' (illicit immigrants) when they arrest us, but do nothing to expedite our repatriation or inquire into the inhuman conditions under which we live at the camp", they said. There are about 45 detenus of Indian origin at the camp.

NATIONAL PLAN TO LINK RIVER SYSTEMS REVEALED

Bombay THE TIMES OF INDIA in English 19 Jun 83 p 6

[Text]

MADRAS, June 18 (UNI).

A NATIONAL perspective plan for the creation of optimum storages interlinking various river systems to provide multi-purpose benefits has been evolved by the Union ministry of irrigation, as part of the overall strategy for optimum utilisation of available water resources in the country.

An official release here yesterday said the plan had been found to be technically feasible and economically viable.

The new plan envisages the creation of a number of storage dams to conserve and transfer waters to drought-prone and backward areas. It will also help minimise flood damage.

The entire scheme is estimated to cost about Rs. 50,000 crores. It will give an additional benefit of irrigation by surface water of 25 million hectares, increased use of ground water in the million hectares and generation of 40 million KW of hydro-power.

The scheme has two major components. The first is the development of Himalayan rivers envisaging the construction of storage reservoirs on the

Ganga and the Brahmaputra and their tributaries, besides interlinking canal systems, the release said.

The release said the second component was the development of the peninsular rivers. It was planned to transfer surplus water of the Mahanadi and the Godavari to the rivers deficit in water like the Krishna, Pennar and Cauvery. This would help irrigation in the drought-prone areas of Tamil Nadu, Andhra Pradesh, Karnataka and Maharashtra, besides offering power generation and irrigation to Orissa and Madhya Pradesh.

Dams will be built in Kerala diverting a part of the west-flowing rivers in Kerala to the east. This will provide additional irrigation and water supply to Kerala and prove to be a boon to the drought-prone areas of Tamil Nadu.

This and the recently concluded agreement between Andhra Pradesh and Tamil Nadu for sharing the Krishna waters will help solve the irrigation as well as drinking water problem in Tamil Nadu as well as Andhra Pradesh, the release said.

CSO: 4600/1350

INDIA, YUGOSLAVIA TO DOUBLE TRADE TURNOVER

New Delhi PATRIOT in English 14 Jun 83 p 7

[Text]

BELGRADE, June 13 (UNI) — India and Yugoslavia have agreed to double the total turnover of bilateral trade in the next one year through increased industrial linkages, linked deals and joint participation in third countries.

This was decided in the ministerial session of the Indo-Yugoslav joint committee for economic cooperation, which met here today.

The ministerial level meeting was attended by Commerce Minister V P Singh on the Indian side and Dr Rikard Stajner, member of the Federal Executive council of Yugoslavia.

The protocol was signed by the two leaders of the delegation who are also the chairmen of the joint commission.

Both sides felt that possibilities exist for finalising arrangements for supply of goods and commodities from India to Yugoslavia, and vice versa, on a long term and balanced basis.

A proposal from the Yugoslav side for permitting commercial banks of both sides to extend reciprocal lanes of credit was accepted. Expert level delegations would visit Yugoslavia immediately and all outstanding problems relating to the Indo-Yugoslavia shipping agreement and double taxation avoidance agreement would be expeditiously resolved.

It was decided that efforts would be made to encourage bilateral and reciprocal trade in machine tools. Items which could be traded were pinpointed and the large scope for participation in their countries was considered.

It was also decided that each side would nominate a nodal public sector agency which could meet and discuss specifics of joint participation in third countries.

Both sides expressed satisfaction at the renewal of the tripartite agreement between India, Yugoslavia and Egypt for another five years beginning 1 April 1983.

For strengthening industrial cooperation, 15 areas were identified which include cooperation in the field of machine tools manufacture, dredging and port construction, the steel sector, supply of power plants, consultancy in the field of industry, railways and electronics.

OFFICIAL ADDRESSES INDIA AID CONSORTIUM MEETING

Bombay THE TIMES OF INDIA in English 15 Jun 83 pp 1, 9

[Text] Paris, June 14--India's economic affairs secretary, Mr M. Narasimham, today warned the developed nations that if the right mix of concessional and non-concessional funds was not made available, India might have to reluctantly give up the strategy of adjustment which relied importantly on continuing a liberal trade regime with adequate means of financing.

Speaking at the two-day meeting of Aid India Consortium here today, Mr Narasimham said it was an option India would willingly embrace, though it would cost the country dearly. However, it would be a sad reflection on the international response to the country's current difficulties, he said.

He emphasised India's performance in respect of resource mobilisation and the pace of progress achieved in balance of payments adjustments. In spite of severe drought and the resultant fall in agricultural production and income and demand for industrial products, India was able to maintain price stability by the strength of its public distribution system and the policy of precautionary imports of foodgrains. Tighter control on non-productive expenditure and determined domestic resource management had also helped the country to maintain the tempo of development expenditure, he claimed.

Mr Narasimham said that inflation was controlled to about 2.5 percent. What stood out in India's performance, he said, was the price stability achieved, despite strains, and the continuing improvement in the structural foundations for growth in the coming years. (as printed)

Mr Narasimham also dwelt on the improved performance of the infrastructure sector, especially in power, railways and coal. He said the investment climate in the country remained buoyant. The government followed the policy of providing a strong stimulus to investment and production in the corporate sector.

He listed a number of measures taken to liberalise industrial licences and to enable large industrial units to invest in nationally important schemes. He referred to the steps taken to encourage personal savings and investment. As a result of the improved investment climate in the country, the number of foreign technical collaborations had increased from 389 in 1981 to 590 in 1982.

The number of such collaborations during the first quarter of the current year stood at 176.

Mr Narasimham referred to the World Bank report that praised India for being a pace-setter among developing countries in the area of petroleum pricing. It had contained demand, generated internal resources for the oil sector and provided surpluses for use in other sectors.

He spoke about the massive deterioration in its terms of trade in 1979 following the oil price increase and related development. This added an external financial burden on the economy to the extent of almost two percent of the GNP. He explained how, in spite of this handicap, the policy decision taken by the government had helped in sustaining a healthy economy.

Mr Narasimham said the current account-deficit would decline gradually over the years and would be about one percent of the GNP in the next decades, for a poor country, with one of the lowest per capita income levels in the world, it represented an extraordinary demonstration of domestic effort.

He referred to the low rate of concessional flow of aid to India which, he said, was much smaller than would be justified on any criteria of eligibility and requirements taking account of population, size and per capita income.

He said it was essential that India's share of concessional flow in the total external financing requirements should at least be maintained, if not increased, in order to keep its debt saving within reasonable limits and a viable external payments position.

CSO: 4600/1324

RECORD FOODGRAIN PRODUCTION REPORTED FOR RABI SEASON

Madras THE HINDU in English 29 Jun 83 p 7

[Text]

NEW DELHI, June 28.

A record production of 58.2 million tonnes of rabi foodgrains has been achieved during 1982-83, according to official sources.

This exceeds the 54 million tonnes in the 1981-82 rabi season by about eight per cent and this year's plan target by two lakh tonnes.

Production of wheat has broken all previous records and touched a peak of 41.5 million tonnes. This represents an increase of 10 per cent in one year over the 37.8 million tonnes in 1981-82.

The reports so far received indicate substantial increase in the production of rabi oilseeds and pulses over the previous year.

The loss caused by drought, floods and cyclones during 1982-83 is estimated at about 10 million tonnes of foodgrains during the kharif season. To make up this loss, a compensatory rabi campaign was launched in the States during 1982-83. A 16-point action programme was chalked out and Central teams were sent to major rabi crop growing States to help farmers get adequate and timely supplies of critical inputs. Distribution of inputs received unprecedented thrust. These sustained measures helped to make good the loss in kharif production to the extent of about four million tonnes.

The total foodgrains production in 1982-83 is estimated at 126.6 million tonnes. This indicates a shortfall of 6.5 million tonnes, despite the severe drought conditions, compared to the loss of about 22 million tonnes during the previous drought year in 1979-80.

Official sources felt that this indicated not only steady progress but also growing strength and resilience of Indian agriculture against adverse weather conditions. — Our Special Correspondent.

CSO: 4600/1376

DETAILS OF TRADE PACT WITH PHILIPPINES GIVEN

New Delhi PATRIOT in English 26 Jun 83 p 7

[Text]

India and the Philippines have agreed to achieve a bilateral trade target of 100 million US dollars by 1984-85, reports UNI.

This was decided at the first meeting of the Indo-Philippines Joint Commission which concluded in Manila on Friday, according to information available in Delhi.

Both sides agreed to set up a joint working group comprising five representatives each from India and the Philippines to work out the modalities, quantities of goods and its value and other details pertaining to a long-term supply agreement.

The group will submit its report by 30 December this year.

This report will be considered at the second meeting of the joint commission to be held in Delhi in 1984 at a mutually convenient date.

The items identified for exports are as follows: Nickel briquettes, phosphate fertilisers, copper rods and bars, PVC resin and abaca pulp from the Philip-

pines and iron ore pellets, finished leather engineering equipment like textile machinery and railway wagons and coaches from India.

The Philippines side expressed the desire for increasing bilateral trade to the tune of \$25 million US dollars by 1985.

They also expressed interest in

Indian parties setting up joint ventures in their country in fields like machine tools, diesel engines, pharmaceuticals, feed-stuff for animals, rehabilitation of textile plants and electronic equipment.

Deputy Commerce Minister P A Sangma who signed the trade protocol on behalf of India also extended an invitation to the Philippines government to participate in the India International trade fair scheduled to be held later this year.

Bilateral trade between the two countries had dropped to a mere 18 million US dollars in 1982 in comparison to 41 million US dollars the previous year.

CSO: 4600/1370

THIRD EXPEDITION TO ANTARCTICA IN PLANNING STAGE

New Delhi PATRIOT in English 24 Jun 83 p 5

[Text]

The third Indian expedition to Antarctica will leave for the icy continent in the last week of November.

Disclosing this, Secretary for Ocean Development Dr S Z Qasim told UNI that the process of selecting the leader of the team and its scientific and services components would be completed in a month.

The third expedition would not only continue the experiments initiated by the first and second scientific teams but try to conduct some new experiments in new disciplines relating to meteorology, geology, glaciology, microbiology and medicine and further strengthen the logistics

of the Indian station.

The third expedition, India's permanent manned station "Dakshin Gangotri" is planned to be set up by the end of 1984.

Replying to a question, Dr Qasim said the issue of India's signing the Antarctica treaty was being considered at the highest political level and a decision was likely to be taken in two months.

This was a complex and delicate issue and the pros and cons of signing and not signing had to be gone into detail before arriving at a decision.

The Antarctica treaty, he said, had been a closed club of a few developed countries so far while India considered the icy continent as the common heritage of mankind. In deciding the matter, India had to take into account its principled stand on sharing of wealth of the continent.

Dr Qasim confirmed that the physical research laboratory at Ahmedabad had found traces of nuclear debris in the ice samples brought from Antarctica by the second expedition.

The level of radio activity was not high enough to have any harmful effect on Indian scientists proposed to be stationed at Dakshin Gangotri, he said.

Observing that the ice mass of Antarctica constituted the frozen history of environmental and other changes of the region, Dr Qasim said successive layers of ice yield valuable information about weather changes, nuclear radiation, cosmic ray interaction and other happenings.

Indian scientists had not so far dated the origin of radioactivity found in the ice samples. In all probability, this was caused by the French nuclear explosion at the nearby island, he said.

Dr Qasim said the Army, Navy and the Air Force would be re-

presented in the services component of the forthcoming expedition. The main task of the service's representatives would be to provide air link communications and satellite contact and expand the two barracks put up by the last team.

He said the permanent manned station would accommodate 15 persons at a time. The scientists and service personnel would be rotated at regular intervals to provide polar experience to the maximum number of Indian experts.

The effect of prolonged exposure of polar cold and environment was being studied. Mr Vin D Dhargalkar a marine biologist from the National Institute of Oceanography in Goa had been staying in the Australian camp on Antarctica since October 1982. After the Indian scientist returns in April 1984 his experiences and report on his prolonged stay would be evaluated, Dr Qasim said.

So far India had been getting all the cooperation and help from the countries which had manned stations at the southernmost frozen tip of earth, he said.

India was also sharing its finding in different fields with other countries.

ECONOMIC ADVISORY PANEL MAKES REPORT, RECOMMENDATIONS

New Delhi PATRIOT in English 11 Jun 83 p 1

[Text]

It is absolutely essential that to ensure operational autonomy of public enterprises by allowing the managements to develop and implement corporate programmes on their own within the plan profile but without interference from various extraneous sources, the report submitted to Mrs Gandhi recently said.

While public accountability had to be assured, it was better done by observing "certain basic guidelines than through detailed interventions," the report said.

The council, headed by Prof Sukhmoy Chakravarty, said public enterprises must be allowed to mobilise more resources for development rather than serve indirectly as agents providing subsidies to the private economy.

The council suggested that chief executives be appointed by a properly knowledgeable selection committee from amongst a set of professional managers in order that high standards of achievement might be ensured.

"They should be given a specified tenure, which is long enough to ensure effective corporate management and planning," the council opined. "A clear example of the violations of this principle that have been taking place is with regard to the appointment of the chairman of the Steel Authority of India which has greatly affected its ability to carry out its mandate effectively," the panel said.

The panel proposed to study the question of technology generation and import of technology and the precise criteria the country need to follow when taking recourse to foreign collaboration.

"We are also initiating some studies on the base of corporate taxation," the council said.

The report, the first since the panel was constituted in February this year, has dealt with a gamut of subjects ranging from agriculture, energy, public investment and resource mobilisation.

Referring to financial constraints, the report observed that while the balance of payments in 1983-84 looked manageable, "we are almost certain to run into very serious difficulties from mid-1980s onwards on account of rising debt service obligations, unless we can reduce our dependence on imported sources of energy by curtailing the current rate of growth of energy consumption, improve capacity utilisation significantly in steel, cement and fertilisers and increase substantially the domestic output of rice and oilseeds besides greater success with export promotion than we have had so far."

The report said the question of export promotion had received serious attention from the Government from time to time, but the results had not been

particularly encouraging.

The report pointed out that while the management of the balance of payments had been helped notably by the IMF loan, "the present trends would seem to suggest that we may be building up a major problem for the second half of the 1980s, effecting particularly the formulation and implementation of the Seventh Plan, unless corrective measures are taken forthwith.

Referring to agriculture, food and other related issues, the report said "it seems highly probable that, in areas like Bihar absentee landlordism and related forms of oppressive tenancy are in no small measure responsible for rice yields remaining so low compared to what can be achieved. This raises important political issues and needs attention on that plane".

If small and marginal farmers could be organised in service cooperatives, where necessary by consolidating their holdings in contiguous blocks of land, it should be possible to raise productivity levels substantially. But none of them would be easy to achieve without major changes in development administration at the State level, the report said.

Besides Prof. Chakravarty, the council includes Reserve Bank Governor Dr Manmohan Singh, Dr K N Raj, Dr A M Khuroo and Dr Hanumantha Rao, members of the Planning Commission.

EGYPT SEEKS INDIAN AID IN BUILDING AGRICULTURE

Madras THE HINDU in English 29 Jun 83 p 6

[Text]

NEW DELHI, June 28

Egypt has sought India's assistance in its efforts to boost farm output. The assistance was sought during the recent visit of a delegation of the Federation of Indian Chambers of Commerce and Industry (FICCI) headed by Mr. R. P. Goenka.

According to the report of the delegation, Egypt wanted supply of high yield varieties of seeds, tractors and farm machinery and help in land reclamation, livestock breeding and extension of irrigation facilities.

The delegation felt that there was considerable scope for India to export not only these items but also fertilizer, insecticides, jute bags, automobile spares, readymade garments, cosmetics and detergents, medical and surgical equipment and technical and scientific books.

Possibilities also existed for joint industrial ventures between India and Egyptian entrepreneurs in agro-based industries and readymade garments. The General Organisation for Industrialisation (GOFI), an Egyptian Government agency, had identified a wide range of industries where such joint ventures could be set up in collaboration with Egyptian Government undertakings.

According to the report, India had appropriate technology for setting up industries in the four free zones in Egypt including Alexandria, Port Said and Suez. Products that had potential markets in West Asian countries could be manufactured in the free zones.

The Egyptian authorities had, however, expressed the desire that India should increase its offtake of items from Egypt.

Adverse balance: India's exports to Egypt in 1980-81 and 1981-82 were of the order of Rs. 85.94 crores and Rs. 83.29 crores respectively. In the corresponding period, imports from Egypt amounted to Rs. 29.60 crores and Rs. 2.62 crores. India's major exports to Egypt in-

cluded tea, tobacco, spices, jute, textiles, iron and steel, metal manufactures, transport equipment and chemicals. Imports from Egypt mainly comprised cotton, though in 1976 some crude was imported. Trade is now heavily weighted against Egypt because India is not importing cotton now.

Till 1976, India and Egypt were having bilateral trade arrangement for export of specified items up to a ceiling with payment in rupees. The trade was brought to free convertible currency in 1977. A trade agreement, based on most favoured nation treatment, was signed in March 1978. Under the memorandum of understanding signed this January, the two countries agreed to set up a joint design and engineering consultancy company for undertaking projects in Egypt and third countries.

Panel to examine problems of soda ash industry

NEW DELHI, June 28

The Centre has set up a 17-member committee under the chairmanship of the Minister of State for Chemicals and Fertilizers, Mr. Rama Chandra Rath to go into the problems of the soda ash industry and recommend appropriate remedial measures.

The committee has been formed following representations received from the manufacturers and consumers of soda ash on various aspects of the industry like capacity, production, imports, distribution and pricing. Representatives of the manufacturers and consumers of soda ash, including dhobis will be on the panel. The committee is expected to present its report in three months.

It will examine the indigenous demand, capacities licensed and approved the constraints and the present levels of indigenous production of soda ash. — Our Special Correspondent.

INDIA

CONTRACTS FOR IMPORT OF THAI RICE CONFIRMED

Calcutta THE STATESMAN in English 24 Jun 83 p 1

[Text] New Delhi, June 23--The Food Ministry confirmed today that contracts for the import of 70,000 tons of rice had been concluded last week in Thailand, the first purchase of the grain abroad in years.

There is no official indication what the purpose of the imports is or whether further rice imports are to be made.

It, however, is obvious that further purchases will be made to replenish the the depleting stocks since the present 70,000 tons are nominal and would be meaningless unless they were part of a larger plan.

The present rice stocks are under 5 million tons and will not be replenished for internal production until the kharif procurement begins a few months after the monsoon.

The Government is apparently preparing for all contingencies.

In the past couple of years, grain imports have been resumed to replenish the stocks both for buffer and operational purposes but these have been limited to wheat.

Part of the reason is the difficulty of buying rice because of its worldwide shortage.

But conditions seemed to have changed this year.

The monthly offtake of rice varies from 600,000 tons to 700,000 tons for the public distribution system. The imports from Thailand thus account for just 10 percent of the monthly needs.

To limit them to just this amount would make negligible differences to the rice stock position and gives rise to the belief that larger imports are to be made.

Wheat imports last year were just under 5 million tons. About the same amount is expected to be imported this year, despite the good procurement in the current season which suggests that a total of over 8 million tons will have been bought by the State agencies by the time the season ends.

CSO: 4600/1364

PLANNING MINISTER MEETS WITH ECONOMISTS' PANEL

Bombay THE TIMES OF INDIA in English 28 Jun 83 p 9

[Text]

NEW DELHI, June 27.

THE Union planning minister, Mr. S. B. Chavan, today called upon top economists to suggest concrete steps to "protect plan resources in real terms" in the context of rising prices and to make the fiscal system "more responsive to growth and price change."

Speaking at the first meeting of the 22-member panel of economists set up to advise the planning commission, Mr. Chavan said that in financial terms, the sixth plan public sector outlay was expected to be higher than Rs. 97,500 crores as indicated in the plan document.

In real terms, after adjustment for the price rise, "the total resources for the plan have not come up to expectations in spite of additional resource mobilisation by the Centre and the state being in excess of the figure originally visualised."

Mr. Chavan said, "The balance of payments position continues to be difficult and we have to address ourselves to the problem of restoring viability on external account as speedily as possible."

NORMAL MONSOON

Reviewing the performance of the economy in the last years, Mr. Chavan said if the monsoon was normal this year and the next year, the overall growth rate for the sixth plan might not be very different from 5.2 per cent envisaged in the plan.

There had been significant gains over the past three years. As a result of concerted and co-ordinated action, the performance of the infrastructure sector had shown a remarkable improvement. There had been increase in both agricultural and industrial production.

Mr. Chavan, however, conceded that there was need for special efforts to maximise agricultural production. It was encouraging that the loss of foodgrains in 1982-83 was estimated at only five to seven million tonnes against 22 million tonnes in the previous severe drought year of 1979-80.

He said particular attention would have to be paid to reduce the lag between the creation and utilisation of irrigation potential, increasing the yields in states where they were below the national average and raising fertiliser consumption where it was quite low.

Mr. Chavan also stressed the need to improve dry-land farming with appropriate technologies and practices. Production of pulses and oilseeds, he felt, should be increased in view of the gap between the demand and supply.

He said there was marked improvement in the power sector since 1982-83 as a result of measures to prevent slippages and bottlenecks. The prospects of oil development were far better than at the time of the formulation of the sixth plan. Coal production and movement of freight traffic by the railways had been showing sustained improvement.

Noting that industrial production in 1982-83 was below the growth rate of 8.6 per cent in the previous year, Mr. Chavan said various steps had been taken to improve the situation. The overall investment climate at present "is quite favourable."

It seemed reasonable to count on a satisfactory growth rate in the remaining two years of the sixth plan. There was considerable underutilisation of capacity in certain areas. It was necessary to improve production and productivity to increase the returns from investments. Special attention was necessary to ensure that the energy sector did not act as a constraint on growth.

He stressed the need for improving the organisational framework for planning and managerial efficiency in the public and private sectors.

The economists present at the meeting were Dr. I. Z. Bhaty, Dr. P. R. Brahmananda, Dr. P. C. Gokwami, Dr. P. C. Joshi, Dr. Waheeduddin Khan, Dr. C. T. Kurien, Dr. D. T. Lakdawala, Prof. A. C. Minocha, Prof. Baidyanath Mishra, Dr. D. P. Nanjundappa, Prof. K. A. Naqvi, Dr. T. S. Pappola, Prof. G. Parthasarathy, Dr. I. G. Patel, Dr. A. Vaidyanathan, Dr. N. Rath and Dr. Pravin Visaria.

Members of the planning commission — Prof. M. G. K. Menon, Mr. Mohammed Fazal, Dr. C. H. Hanumantha Rao and Prof. A. M. Khuroo — also participated.

ARMS ACT AMENDED TO PROVIDE HARSHER PENALTIES

New Delhi PATRIOT in English 23 Jun 83 p 1

[Text]

The President on Wednesday night promulgated an ordinance amending the provisions of the Arms Act to make them more stringent, reports PTL.

The ordinance will come into operation with immediate effect.

The ordinance prescribes minimum penalty of three years imprisonment in the case of illegal manufacture and sale of arms and ammunition and six months jail term for comparatively less serious offences.

The ordinance also vests the courts with the discretion to award a sentence less than the minimum penalty of six months imprisonment for adequate and special reason to be recorded in judgment. This has been done to protect bonafide licensees who may be guilty of procedural or technical violations.

As regards the restriction on a number of firearms to be possessed by a licensee, a specific provision has been made in the ordinance for exempting any person or class of persons either generally or in relations to such description of arms and ammunition as may be specified.

This has been done taking into account the needs of proven sportsmen or competitors and collectors of art pieces and antiquities.

With these modifications, the other amendments to the Arms Act 1959 as passed by the Rajya Sabha have been incorporated in the ordinance.

In addition the ordinance contains two new provisions. The first one relates to prohibition of notified arms in specified areas.

Under this provision, where the Government is satisfied that there is extensive disturbance to public peace and tranquillity in an area and for the prevention of offences involving the use of arms in such area, it is necessary or expedient to do so, they may direct that every person having in his possession in such area any arms of such description as may be specified, shall deposit the same for a period of 90 days in the first instance which period can be extended by Government.

A notification will be issued by Government for this purpose and the period will commence not earlier than the fourth day after the date of publication of the notification.

During the period of the notification, Government will have powers of search and seizure.

The second provision empowers Government to notify certain areas directing that during the period specified no person shall carry any arms of such description as may be specified through or in any public place in such area.

The period shall commence from a date not earlier than the fourth day after the date of publication of the notification.

Powers of search and seizure will also be available.

The penalty for violation of orders issued in the above two cases has been prescribed as minimum punishment of one year's imprisonment and maximum punishment of five years' imprisonment.

The Rajya Sabha had already passed in September 1981 a Bill making certain amendments to the Arms Act.

Before the Bill could be considered by the Lok Sabha, Government felt the need to look into the matter further in the light of developments in various parts of the country.

The amendments as passed by the Rajya Sabha contain the following salient features:-

(1) A limit of 3 weapons has been imposed on the number of fire-arms that a licensee can hold.

(2) A stipulation has been made that a person seeking to sell the fire arm to another person should intimate the district magistrate of his intention to sell or transfer. If he does not hear from the authorities within 45 days, he can proceed with the sale.

(3) The age of eligibility for licence has been raised from 16 years to 21 years.

(4) A prescription has been made that the licensing authority shall call for a report from the police

before disposing of an application for licence.

(5) Whereas the original act provides for a punishment of three years' imprisonment or fine or both for certain offences, the amendment Bill has classified the offences and provided for higher maximum penalty up to seven years' imprisonment.

This step according to official sources, has been necessitated because of increasing incidents of crime involving the use of fire arms. Apart from unlicensed fire arms, the involvement of licensed fire arms in crime has also been on the increase.

After making a 'critical' review of the provisions of the Arms Act 1959, Government decided to make certain amendments to the Act to tighten of the procedure for issue of licences and for keeping a close watch on the manufacture and sale of arms and to make the punishment for major offences under the Act more deterrent.

CSO: 4600/1363

BRIEFS

NORTH KOREAN OUSTED--New Delhi, June 10--The First Secretary of the North Korean Embassy here, Mr Bong-nam Bang, has been told to leave the country on charges of smuggling, reports PTI. The North Korean Ambassador was called to the Ministry of External Affairs on Wednesday and asked to send the diplomat back. [Text] [Calcutta THE STATESMAN in English 11 Jun 83 p 1]

CPI STATEMENT--New Delhi, June 11--The Communist Party of India said here today that even before the Left Front Committee in West Bengal had met to review the recent panchayat elections, the politburo of the CPI(M) chose to come out publicly, attributing the Left Front's reverses to the allegedly "unrealistic" and "excessive claims" for seats by the other Left Front partners, namely the CPI, RSP and Forward Bloc. In a statement, the CPI said: "In our opinion, this is nothing but an attempt to divert attention from the fact that the CPI(M) itself has lost nearly 3,500 gram panchaya seats, compared with 1978, while the RSP's tally has declined by about 400 seats. The gainer has no doubt been the Congress (I) though in the State as a whole it has once again been decisively defeated by the Left Front. "We categorically repudiate the CPI(M) Politburo's motivated attempt to place the blame for Left Front disunity on the TSP, F.B. and the CPI. The main responsibility lies on the CPI(M) itself. Its high-handed sectarian and dominating attitude towards its partners in the matter of allocating seats made unity impossible. Consequently, the Congress (I) has been able to make substantial advances, especially in the North Bengal districts and the CPI(M) has been the biggest sufferer," the statement said. [Calcutta THE SUNDAY STATESMAN in English 12 Jun 83 p 1]

TWO-PARTY MERGER--New Delhi, June 11--A two-day session of the national executive of the Lok Dal presided over by Mr Charan Sing, today endorsed the move for the merger of the party with Mr Jagjivan Ram's Congress (J), but left the modalities to be worked out at a later stage. In a resolution, the national executive said that the imperative need of the day was the complete unity both of the mind and heart of all elements of the democratic Opposition. The national executive would like to consider any proposal for cooperation among the Opposition parties. The party's general secretary, Mr Shyam Nandan Mishra said that the Lok Dal wished to move cautiously in this matter avoiding the pitfalls of the erstwhile Janata experiment. The national executive welcomed the Vijayawada conference and praised the initiative taken by Mr N.T. Rama Rao, Chief Minister of Andhra Pradesh. [Text] [Calcutta THE SUNDAY STATESMAN in English 12 Jun 83 p 1]

KASHMIR FINAL RESULTS--Srinagar, June 20--The budget session of the Jammu and Kashmir assembly will begin on July 7. The governor, Mr B.K. Nehru, issued a notification to this effect today. The governor has also appointed Mr G.M. Bhaderwahi as pro-tem speaker of the assembly. The governor will address a joint sitting of the legislature on July 11, according to an official notification. The following is the party position in the assembly after the last result was announced today: Total seats 76; Results declared 76; National Conference 47 (including disputed Doda seat); Congress (I) 26; Panthers Party 1; Peoples Conference 1; Independent 1. [Text] [Bombay THE TIMES OF INDIA in English 21 Jun 83 p 1]

TIWARI'S ALGERIAN VISIT--New Delhi, June 19 (PTI)--Mr Narayan Dutt Tiwari, Union industry minister, returned here today from Algeria after discussions with Algerian leaders during which several new projects for co-operation were identified. The new sectors identified include chemicals, railways, industrial vehicles, turnkey plants in the medium scale sector, cement and textile machinery. During his week-long visit, Mr Tiwari held talks with the Algerian heavy industry minister, Mr Kasbi Merbah. Satisfaction was expressed by both sides on the excellent state of bilateral co-operation and the rich promise for the further diversification and expansion. The public sector Hindustan Machine Tools was identified as the lead organisation for some of the projects, specially in the machine-tool sector, in view of its successful completion of the water and gas meter factory at El Eulam. [Text] [Bombay THE TIMES OF INDIA in English 20 Jun 83 p 9]

NONALIGNED MEDIA MEET--New Delhi, June 19 (UNI)--India will host the international media conference of the non-aligned, Namedia, in New Delhi from September 14 to 17 this year. The national preparatory committee which met here today discussed the strategy and plan of Namedia. The conference aims at implementing the concept of the new world information and communication order put forth by the non-aligned movement and UNESCO. The director-general of UNESCO, Dr Mahtar Amadob M'bow is being invited to inaugurate the Namedia. Other invitees are Mr Sean McBride who headed the UNESCO commission on communication problems, Mr Gunnar Garbo, head of the IPDC international programme for development of communication, Mr Mustapha Masmoudi of Tunisia and Mr Juan Somania of Mexico. Leading editors and print and electronic media representatives from the 101 non-aligned countries have also been invited. The idea for Namedia which gained emphasis after the recent NAM summit in New Delhi, places a special responsibility on India. A number of senior Indian editors, journalists and media specialists who attended today's meeting felt it was necessary to offer strong and wide support to the non-aligned movement. [Text] [Bombay THE TIMES OF INDIA in English 20 Jun 83 p 9]

EROSION IN TEZPUR--Tezpur, June 24--"Considerable" portions of several villages in this sub-division have been eroded by the Buroi, a tributary of the Brahmaputra, which poses a serious threat here because of a sudden change in its course, reports PTI. The affected villages are Panpar, Miripathar and Purnaburighat in the Gamiri area, according to a report received here. Widespread erosion was also reported from Rakhali Suti and Lalpukhri villages near Bedeti, where several people had to move to safe places. [Text] [Calcutta THE STATESMAN in English 25 Jun 83 p 12]

MESSAGE TO ANDROPOV--President Zail Singh on Friday sent a message of felicitation to Mr Y.V. Andropov on his election as the chairman of the Supreme Soviet of the USSR. Extending the felicitation to him on behalf of the Government and people of India and on his own behalf, the President expressed his confidence that under the leadership of Mr Andropov the bonds of friendship and co-operation between the two countries would be further strengthened. "Please accept my best wishes for the good health and success of the full term of the high responsibility for the welfare of Soviet people and for the cause of world peace," the message said. [Text] [New Delhi PATRIOT in English 17 Jun 83 p 1]

EXPORTS TO HUNGARY--Budapest, June 27 (PTI)--The value of India's exports to Hungary dropped from \$30.8 million in 1981 to \$19.7 million in 1982. On the other hand the figures for Indian imports from Hungary were \$48.1 million in 1981 and \$46.1 million in 1982. The balance of trade over the past three years was tilted increasingly in favour of Hungary, with deficit on India's account shooting up to \$26.4 million. The trade deficit in 1981 was \$18 million and in 1980 about \$9 million. India and Hungary switched over to trade in free foreign exchange in January 1978. However, Hungary's imports from India are less than one percent of its total imports from convertible currency areas. The growing trade deficit has been a matter of concern for India and it has been discussed at the meetings of the Indo-Hungarian joint commission for economic, scientific and technical co-operation and the sessions of Indo-Hungarian joint business council. Indian trade officials here believe more inter-action between the Indian exporter and the Hungarian importer is necessary to improve the image of Indian goods. Participation in trade fairs such as the Budapest international spring fair (for capital goods) and the Budapest international autumn fair (for consumer goods) would also help, they feel. The trade fair authority of India took part in the spring fair last month. While the exact figures of the volume of business netted were not available, the exhibition director, Mr Mouskar, said the results were "encouraging." [Text] [Bombay THE TIMES OF INDIA in English 28 Jun 83 p 23]

TRADE WITH AFGHANISTAN--Moscow, June 27 (PTI)--American sanctions against Afghanistan after the April revolution has led to a 50 percent increase in trade turnover between Afghanistan and India, according to "Sovetskaya Rossia." The Moscow daily says all attempts to impose a blockade in Afghanistan had failed. It listed among these blockade attempts the reduction of American machinery, equipment and transport technology, supplies to one-seventh the previous level and imports to less than one-ninth. The EEC used sanctions on food supplies and the World Bank and the International Monetary Fund suspended financial aid. [Text] [Bombay THE TIMES OF INDIA in English 28 Jun 83 p 23]

FILM DEPICTS GROWTH IN INDO-SOVIET TRADE--From an initial beginning of a Rs 1.3 crore turnover, the Indo-Soviet trade had steadily grown since 1953-54 to reach the envisaged turnover of more than Rs 3500 crores in 1983. This story of constant rise in trade and economic cooperation between India and the Soviet Union is portrayed in a documentary "Soviet Machines and Equipment in India," shown to newsmen at the Soviet Information Centre in Delhi on Monday. Deputy Trade Representative of the USSR in India V.G.

Mordasov told newsmen that the Soviet economic and technical assistance machines and equipment had played a pivotal role in turning India into one of the top 10 industrialised nations in the world. The documentary depicts this change through the public sector plants like Bhilai, Neyveli and Bokaro which Pandit Nehru once described as the "modern temples" of Independent India. Farm implements and machines like harvestors combine, oil refineries, mining equipment, coal and life-saving drugs, all find a place in the documentary to show how the country is moving towards self-reliance. Likewise in electronics and space as well as ocean technology, the cooperation between the two countries is brought out through the shots of Mrs Gandhi's visit to the Soviet Union, and earlier Pandit Nehru's and late Soviet President Leonid Brezhnev's visits. [Text] [New Delhi PATRIOT in English 14 Jun 83 p 10]

GOODS TO ALGERIA--New Delhi, June 25--Farm products worth Rs 25 crores will be exported to Algeria during 1984, under an agreement concluded between the State Trading Corporation of India and its Algerian counterpart Onaco. The agreement was signed during the recent visit to Algeria of an Indian delegation led by the STC Chairman, Mr P.K. Das Gupta. The Algerian organisation has agreed in principle to purchase a number of agricultural products over a three-year period and indicated that during 1984 it will purchase Rs 25 crores worth of commodities. The products will include green tea, black tea, black pepper, turmeric, cummin seeds, dry ginger, and coffee beans. Both the STC and Onaco will meet during the last quarter of each year to discuss the quantities, prices and other commercial aspects for the supply of the products for the following year. [Text] [Madras THE HINDU in English 26 Jun 83 p 6]

JUTE AGREEMENT SIGNED--United Nations, June 25--India has signed the International Agreement on Jute and Jute Products concluded in Geneva on October 1 last year. The agreement provides for the establishment of an international council for jute with headquarters in Dhaka. India's Permanent Representative to the U.N., Mr N. Krishnan, signed the agreement on Thursday at the U.N. headquarters where the agreement is open for signatures. India, which is the first major jute exporting country (with 31.45 percent exports) to sign the agreement, has also expressed its consent to be bound by the agreement--a term for ratification of the agreement. The agreement will come into force when three exporting countries with a minimum net export of 85 percent and 20 importing countries with minimum net imports of 65 percent accept the agreement. The EEC and eight other countries have also signed the agreement and notified their acceptance of the agreement. Bangladesh, a major exporting country with 56.66 percent of exports signed the agreement in February this year, but is yet to ratify it. PTI [Text] [Madras THE HINDU in English 26 Jun 83 p 6]

OPPOSITION PARTIES' PANEL--New Delhi, June 17--The Congress (S), the Democratic Socialist Party and the Rashtriya Congress set up a Coordination Committee here last night to unite with other "like-minded parties and groups" to avoid a split in the non-Congress (I) vote in the coming elections. The DSP President, Mr H.N. Bahuguna is the convener of the Committee which would, among other things, try to field common candidates against the

Congress (I). The decision to form the Committee was taken at a meeting of the Presidents of the three parties--Mr Bahuguna, Mr Sharad Pawar (Congress S) and Mr Ratubhani Adani (Rashtriya Congress). They also set up joint panels to prepare a programme to form the basis of their combined functioning. Another major decision taken was that the Congress (S) and the DSP would function under the banner of the Rashtriya Congress in Gujarat. The three party presidents decided to take an immediate initiative on a series of major issues including Centre-State relations and national integration. The Committee will have its next meeting here on June 29. [Text] [Madras THE HINDU in English 18 Jun 83 p 9]

RECORD WHEAT OUTPUT--New Delhi, June 14--With the production of 41.5 million tonnes of wheat this year, the country has broken all previous records of wheat output. In spite of the severe drought of 1982 and untimely rains in April and May, a record production has been achieved, says an official release. This is for the first time that wheat production in the country has crossed the 40-million mark in tonnage. The country produced in 1950-51 only 6.5 million tonnes. Last year's was also a record production of 37.8 million tonnes. Thus, this year, there has been about 10 percent increase in wheat production over the record production of last year. Teams of officers were sent to the States from the Department of Agriculture for ensuring timely availability of electricity, irrigation water, weedicide, seeds and fertilizers on a compensatory rabi production drive to offset as far as possible any damage to kharif due to drought.--PTI [Text] [Madras THE HINDU in English 15 Jun 83 p 16]

COASTAL WATER POLLUTION--The Bharat Petroleum Refinery in Bombay has been found polluting the coastal waters, threatening fishing and contact water recreation around there, reports UNI. The Central Board for the Prevention and Control of Water Pollution (CBCWP) after a survey of the refinery's waste water discharge into the sea, has directed that the refinery should either reduce its waste discharge volume or arrange for better methods of waste water treatment. The Bombay refinery processes about 13,500 tonnes of crude a day discharging about 243,260 kilolitre waste water into the Arabian Sea. This is rather high for a refinery as it does not recirculate the cooling water. The board also noted that the Bombay refinery has arrangements only for recovery of oil and grease from the waste water and in the absence of a comprehensive waste water treatment system the effluents discharges to the sea may be containing toxic materials above the prescribed safety levels. The board has also advised that unless the volume of waste water discharge is brought down through recirculation of cooling waters, it would be costly for the refinery to meet the safety standards of waste water discharge set by it (the board) recently. [Text] [New Delhi PATRIOT in English 20 Jun 83 p 5]

NO SHIFT IN ARMS POLICY--The basis of certain recent newspaper reports suggesting a shift in India's arms procurement policy has been questioned by informed defence study circles in New Delhi, reports PTI. The reports which appeared on the eve of Defence Minister R. Venkataraman's departure for Moscow on Tuesday, claimed that India has given up the

practice of licence-production and is instead seeking cooperation with the supplier--in this case, the USSR--in high technology defence research. The defence analysis say that for three important reasons such a shift is unlikely. First, collaboration in research on militarily sensitive areas of technology require a "very high degree" of political understanding between the parties as in the case of Sino-Soviet collaboration in the early 1950s. Secondly, both parties should be willing to part with their secret security procedures and convince each other that the technology-sharing would not compromise their respective interests. Lastly, such close defence collaboration with the socialist bloc might inhibit transfer of dual-purpose technologies such as computer technology, to India from the West. [Text] [New Delhi PATRIOT in English 24 Jun 83 p 5]

BRUSSELS KHALISTAN OFFICE--Islamabad, June 23 (PTI)--The separatist Khalistan movement has set up a European office in Brussels to enlist political support and obtain monetary assistance from the European Economic Community, a Pakistani newspaper reported. The self-styled "president" of Khalistan, Dr Jagjit Singh Chauhan, was quoted by rightwing Urdu daily Nawa-i-Waqt as saying that the establishment of the European office proved wrong. Prime Minister Mrs Indira Gandhi's claim that the Khalistan movement was based only in the United States. The newspaper said Dr Chauhan told its correspondent in an interview that they were spread all over the world and would not rest until they had achieved independence for the 'Sikh nation.' A lawyer, Mr Jaswinder Singh Gill had been appointed chief of the Brussels office of the so-called "Republic of Khalistan," he said. [Text] [New Delhi PATRIOT in English 24 Jun 83 p 7]

CSO: 4600/1366

FUTURE MP'S TO DISAVOW SEPARATISM

Colombo SUN in English 7 Jul 83 p 1

[Article by Kenneth Amerasekera]

[Text] All new members of Parliament will be required to swear on oath that they will not ask for a separate state.

Prime Minister Ranasinghe Premadasa will shortly move in Parliament amendments to the Constitution to make provisions for this, 'SUN' reliably learns.

These amendments, according to informed sources, will require new MPs to submit affidavits swearing allegiance to the Democratic Socialist Republic of Sri Lanka and affirming that they would not seek a separate state.

The Constitution will require that the affidavit be forwarded to the Commissioner of Elections when a person is named as a candidate to contest a seat or when he is nominated. It is thereafter that the MP will make him or herself eligible to be sworn in by the Speaker or to take the seat in Parliament.

These new constitutional provisions will not apply to MPs of the present Parliament. However, if any present member resigns before the expiry of his term, he will be required to submit the affidavit. Violation of this provision will lead to the MP concerned losing his civic rights.

TULF MPs claim that the mandate they received from their respective electorates terminates on July 21--six years from the last general elections.

Already Chavakachcheri MP V.N. Navaratnam has announced his decision to vacate his seat and possibly re-contest it in an ensuing by-election.

Some extremist elements within the TULF membership are pressurising their members of Parliament to resign their seats.

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